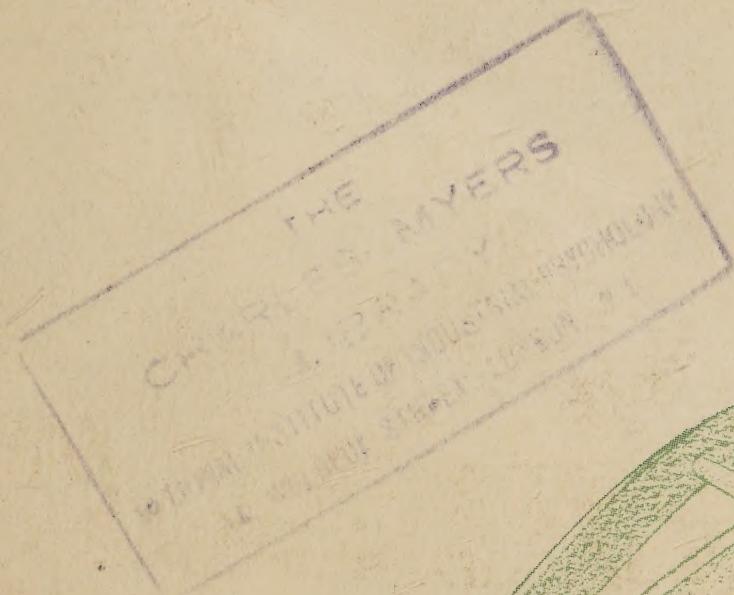


SDOAE



the
ANVIL
and the
PLOW

A large, stylized illustration of a plow and an anvil. The plow is shown from a side-on perspective, angled upwards towards the right. Its tines are visible at the bottom. Above the plow, a long, curved metal beam or bar extends diagonally upwards and to the left. This beam has a small circular hole near its center. The entire illustration is rendered in a dark green ink style.

U. S. Department of Labor
1913-1963



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A History of the
United States Department of Labor

by:

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SECRETARIES OF LABOR



WILLIAM B. WILSON
Mar. 6, 1913
to Mar. 4, 1921



JAMES J. DAVIS
Mar. 5, 1921
to Nov. 30, 1930



WILLIAM N. DOAK
Dec. 9, 1930
to Mar. 4, 1933



FRANCES PERKINS
Mar. 4, 1933
to June 30, 1945



LEWIS B. SCHWELLENBACH
July 1, 1945
to June 10, 1948
(Died in office)



MAURICE J. TOBIN
Aug. 13, 1948
to Jan. 20, 1953



MARTIN P. DURKIN
Jan. 21, 1953
to Sept. 10, 1953



JAMES P. MITCHELL
Oct. 9, 1953
to Jan. 20, 1961



ARTHUR J. GOLDBERG
Jan. 21, 1961
to Sept. 20, 1962



W. WILLARD WIRTZ
Sept. 25, 1962—

FOREWORD

In 50 years an institution, just as a person, takes on a character and develops attitudes which distinguish it from all others. The Department of Labor is no exception. Comparisons of its earlier and later years, reflected in these highlights of the annual reports to Congress by the Secretaries of Labor, show how it matured, how it adapted to dramatically changing times, how it grew to fill its role in a free society.

These pages offer a summary of the achievements and experience of a relatively small organization, which, in a relatively short time—50 years is not long in the life of an institution—has grown large in stature and contribution.

The Department has developed to fit its role. Many major functions of the Department have at one time or another been withheld or removed—immigration, child welfare, and mediation and conciliation. Yet, even at the same time, others have been added—employment security, labor standards, the administration of wage and hour laws and of reporting and disclosure laws, international labor affairs, and more recently, the whole area of manpower development. Whatever the Department's functions, however they change, in the end it is more important that the organic whole has meaning and relevance in a dynamic society.

The Department of Labor, through its Secretaries and their immediate subordinate officers, has achieved full recognition as a significant factor in American Government. The Secretary of Labor is the chief adviser to the President on labor matters and the coordinator of all Government labor activities. Workers both organized and unorganized look to the Department for information and for help and protection through the various laws and programs the Department administers. In business circles, it is well established as a trustworthy and profitable source of accurate data and assistance. In international labor affairs, it is a world leader. And in Congress, it is looked upon as an invaluable aid in the development and execution of national policy.

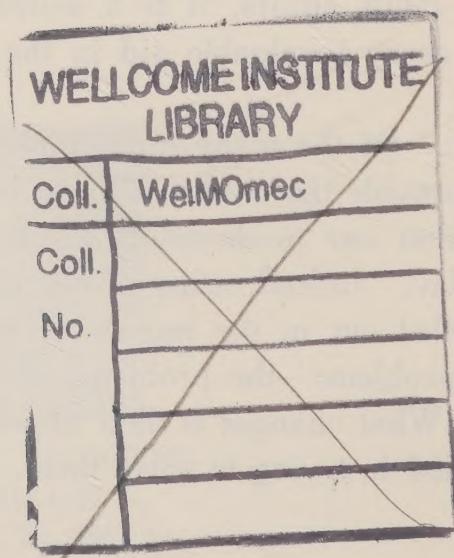
The record is a proud one. Of the many quotations that comprise the bulk of this text, many will provide the reader with an immediate sense of recognition. The problems that our predecessors faced were not far different from those we face today. Indeed, many of our current problems—and their solutions—are spelled out in the reports of earlier years. The truth is, of course, that the problems—the problems of working men and women—are ever the same. What changes is their appearance, their magnitude, and the methods applied in trying to solve them.

To take the time to look back over one's past is said to be a luxury that few can afford, and then only on rare occasions. A 50th anniversary is such an event. In this publication the Department of Labor has indulged itself in a long backward look. Surprisingly enough it has found that recapitulation is not mere luxury; it also proves here to be a lesson.

It is hoped that the readers of this book will enjoy with us both the luxury and the lesson.

U.S. Department of Labor

ZVJ.T.6 (2)



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IN THE
BEGINNING

1913

IN THE BEGINNING 1913

There was little hint of pending war in March 1913 when William Howard Taft left the White House to make way for the new Democratic President, Woodrow Wilson. The average American saw nothing more momentous in the offing than tariff revisions, control of monopolies, and anti-injunction laws. The Nation, generally, was in the midst of an era of political and social reform.

Riding the crest of the reform movement was an act of Congress, sponsored primarily by Congressman William B. Wilson of Pennsylvania and the American Federation of Labor, which created the Federal Department of Labor.

It was not a new idea. Comparable bills had been placed before Congress many times before. This time, however, both Houses had acted favorably, and the bill went to the President for his signature. On his last day in office, March 4, President Taft signed the historic document.

It was left to the incoming President to carry out the intent of Congress, and Woodrow Wilson quickly appointed the man all groups favored for the post of Secretary—Congressman Wilson.

Wilson was a burly, friendly Scotch immigrant. As an organizer for the United Mine Workers, he had forded icy mountain streams to visit remote villages in an effort to organize the workers. When he was 18, he was a man marked by the mine operators as a union leader, blacklisted and compelled to move from job to job for his livelihood.

In 1900 he was elected national secretary-treasurer of the National Union of Miners, and in 1907 he was elected to Congress from the 15th District of Pennsylvania.

Now the former organizer of miners had before him the tremendous task of organizing a new Federal executive department. His first annual reports to Congress show the scope of the problem:

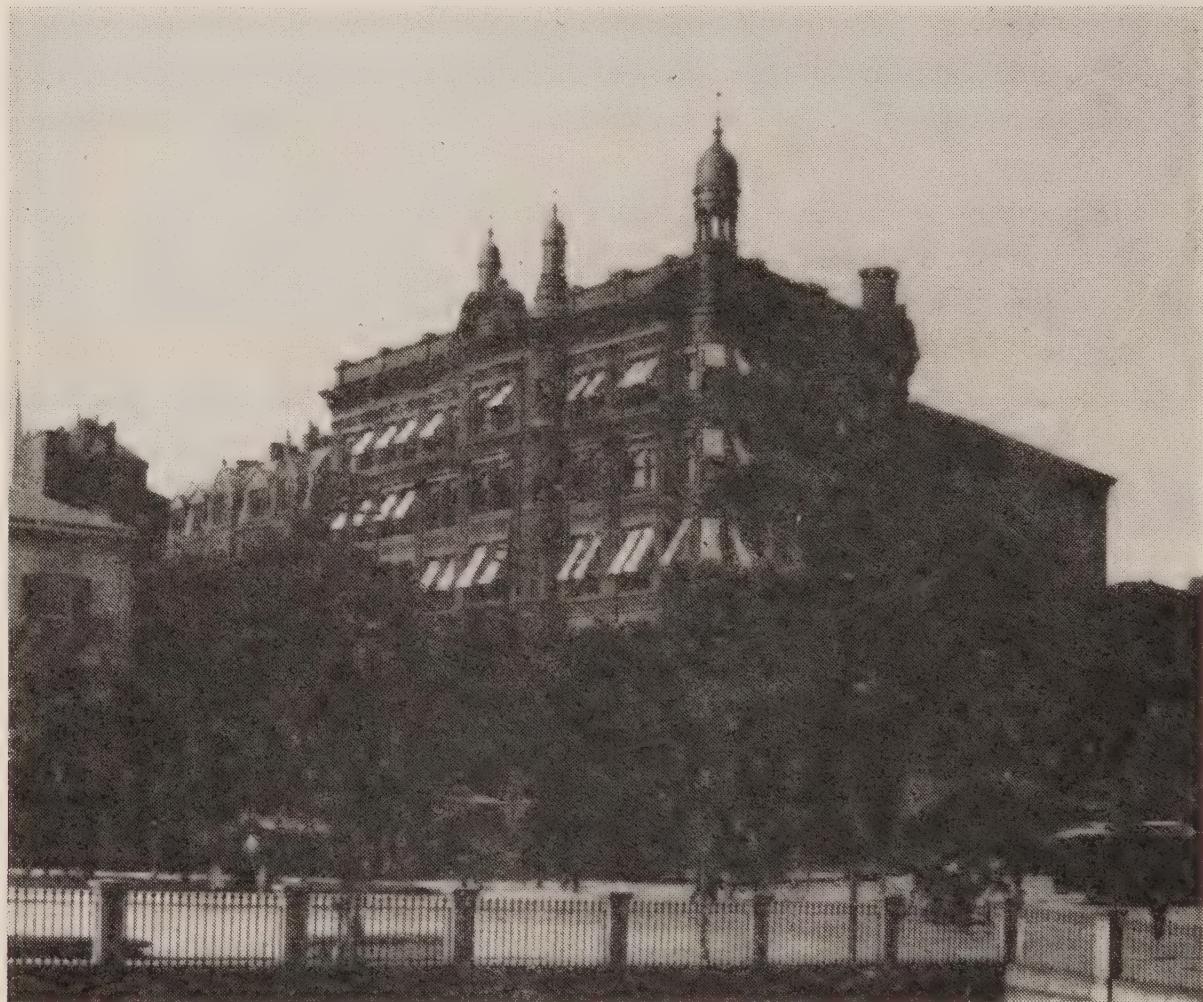
The staff, including some 1,700 in the Bureau of Immigration, totaled less than 2,000 persons.

The appropriation of funds by Congress for the first fiscal year was less than \$4 million.

Initially, the new department included the Bureau of Labor Statistics, Bureaus of Immigration and Naturalization, and Children's Bureau—all functioning units moved from the earlier Department of Commerce and Labor. A brief review of their background is given below:

Bureau of Labor Statistics

This bureau¹ was originally created by Congress in June 1884 as the Bureau of Labor in the Department of Interior. In 1888 it was given independent status as the Department of Labor, under the direction of a Commissioner who reported directly to the President but who lacked Cabinet status. In 1903 it returned to its previous status as the Bureau of Labor, with the Commissioner reporting to the Secretary of the then newly created Department of Commerce and Labor. At the time of its transfer to the Department of Labor, it comprised nearly 100 persons and had built up a substantial reputation for statistical investigation, research, and reporting.



Located diagonally northeast of the Treasury, this was the home of the earliest predecessor to the Department, when it was called a Department but had no Cabinet status.

Its functions, as specified in earlier acts, were to "collect information upon the subject of labor, its relation to capital, the hours of labor, and the earnings of laboring men and women, and the means of promoting their material, social, intellectual, and moral prosperity" (1884); "to acquire and diffuse among the people of the United States useful information on subjects connected with labor, in the most general and comprehensive sense of that word"

¹ For early history, see Secretary's reports for 1913, pp. 22-23, and 1914, pp. 56-57.

(1888); and to "collect, collate, and report . . . full and complete statistics on the conditions of labor and the products and distribution of the products of the same" (1913).

Bureau of Immigration

Among the four bureaus transferred to the Department of Labor, the Bureau of Immigration² was the largest, with more than 1,700 employees. Originally it was administered by officials of State governments with funds controlled by the Secretary of the Treasury from an appropriation, known as the "Immigrant Fund," which Congress provided in 1882. In 1891 it was officially established in the Treasury Department as the Immigration Service, under a Superintendent of Immigration, and the inspectors became Federal officials. In 1895 the title of Superintendent was changed to Commissioner General. In 1903 the Service was transferred, and became the Bureau of Immigration in the Department of Commerce and Labor. In 1906 it was given administrative charge of the naturalization laws, and became the Bureau of Immigration and Naturalization. When eventually transferred to the new Department of Labor, it continued under a Commissioner General who was responsible to the Secretary of Labor, but its naturalization function was taken from it and set up as a separate bureau.

Concerned generally with the administration of laws relating to aliens, it included as a part of its functions a service of special significance to the new Department. Even in earlier days, when immigration functions were performed by State officials, there were laws regulating the importation of "contract laborers." These were aliens "induced or solicited to migrate to this country by offers or promises of employment, or in consequence of agreements . . . to perform labor in this country of any kind . . ." (1913: 31)³ The purpose of the regulation of contract labor was to prevent this kind of importation of cheap labor which threatened the wage standards of American workers.

An equally important function from the point of view of the present Department of Labor was that performed by the Immigration Bureau's Division of Information. This was established in 1907 "for the purpose of promoting a beneficial distribution of aliens admitted to the country, by collecting and disseminating among them trustworthy data concerning advantages offered settlers in different parts of the United States." (1913: 41)

Again this objective was to prevent the employment and exploitation of cheap alien labor to the detriment of American wage earners. As conceived by the first Secretary of Labor, this function could and should be broadened to make the service useful alike "to immigrants seeking employment, to employers in legitimate need of fairly paid wage earners, and to the whole body of the wage earners of the United States." (1913: 41-42)

² For early history, see Secretary's report for 1913, pp. 27-28.

³ Parenthetical notations of this nature indicate the year of the Secretary's annual report and the page on which the reference may be found.



Approved
W.B. Approved
Woodrow Wilson

The original seal of the Department of Labor as approved by Secretary W. B. Wilson and President Woodrow Wilson.

Bureau of Naturalization

Originally a division of the Bureau of Immigration and Naturalization, this organization was promoted to the status of a separate bureau in the new Department of Labor. It consisted of about 130 employees, headed by a Commissioner. Its function was to administer the laws for the naturalization of aliens through the courts.

Children's Bureau

Established by Congress in 1912, as a bureau in the Department of Commerce and Labor, the functions of the Children's Bureau⁴ at the time of transfer to the new Department of Labor were to "investigate and report . . . upon all matters pertaining to the welfare of children and child life among all classes of our people, and [to] investigate the questions of infant mortality, the birth rate, orphanage, juvenile courts, desertion, dangerous occupations, accidents and diseases of children, employment, legislation affecting children in the several States and Territories." (1913: 44)

The Bureau was administered by a Chief, appointed by the President, by and with the advice and consent of the Senate. At the time of the transfer it included about 15 employees.

Conciliation Service

In addition to the transfer of these four bureaus to the new Department of Labor, the Congress authorized the Secretary of Labor "to act as mediator and to appoint commissioners of conciliation in labor disputes whenever in his judgment the interests of industrial peace may require it to be done . . ." (1914: 99) This was a new function, not elsewhere specifically assigned to other agencies of the Federal Government. Since the act made no provision for the establishment of a special bureau for this purpose, the function became a responsibility of the Office of the Secretary.

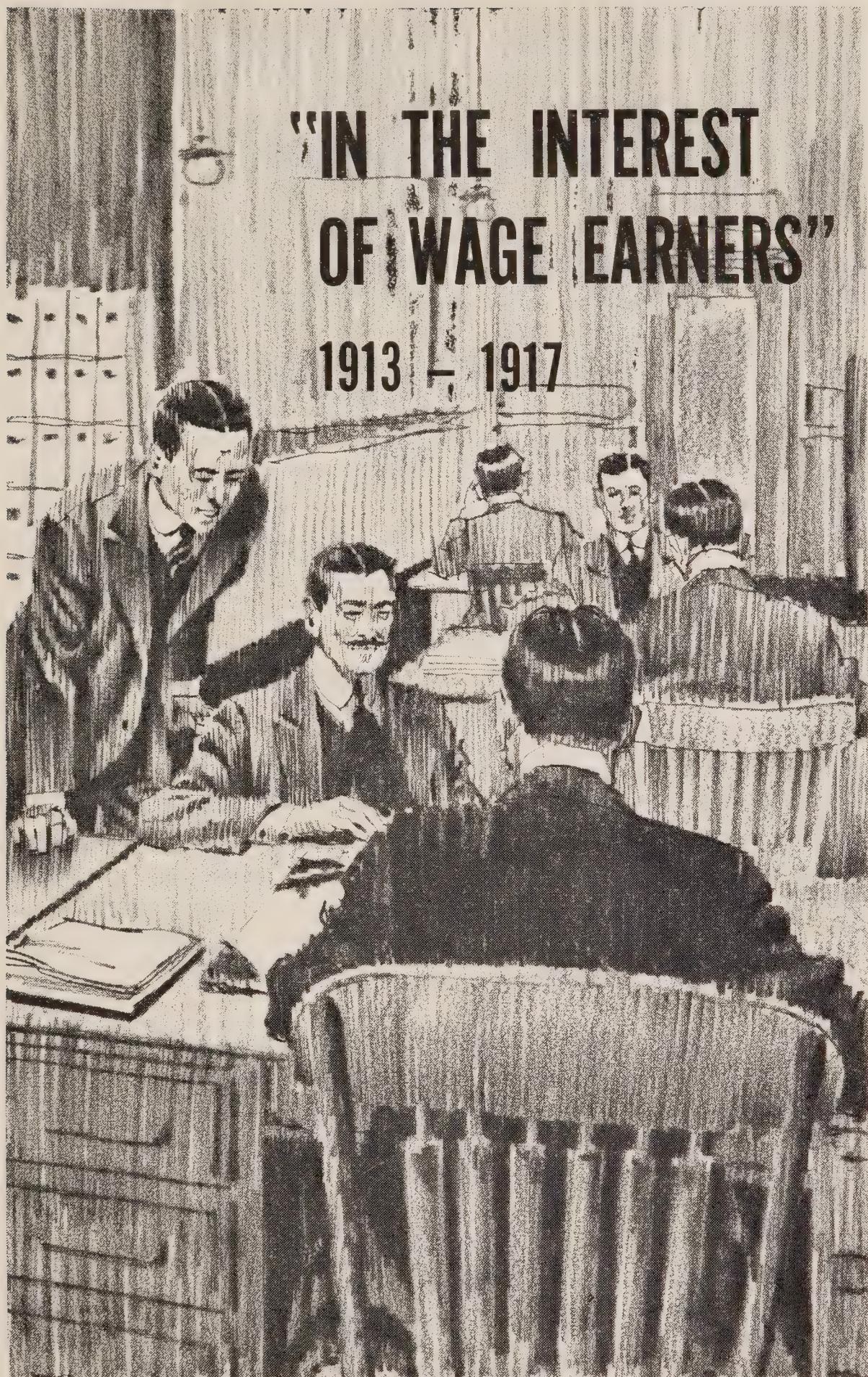
Office of the Secretary

To assist him in his work, the Secretary of the newly established Department of Labor was allowed an Assistant Secretary to act as Secretary in his absence; a Solicitor assigned by the Department of Justice, who could in certain circumstances, by order of the President, act also as Secretary of Labor; and a chief clerk, disbursing clerk, chief of publications and supplies, and appointment clerk. Each of these officers was provided with a limited amount of clerical help. The total of all persons in the Office of the Secretary did not exceed 50.

⁴ For early history, see Secretary's report for 1913, pp. 44-46.

"IN THE INTEREST OF WAGE EARNERS"

1913 — 1917



"IN THE INTEREST OF WAGE EARNERS"

1913-17

Secretary Wilson was well equipped to express the purpose of the new Department. In his first annual report he stated what have become its guiding principles:

"The Department of Labor was created in the interest of wage earners of the United States. This is expressly declared by the organic act. . . .

"There is of course no authority in that declaration to foster, promote, or develop for wage earners any special privileges; but the inference is irresistible that Congress did intend to conserve their just interests by means of an executive department especially devoted to their welfare.

"Nor is there any implication that the wage earners in whose behalf this Department was created consist of such only as are associated together in labor unions. It was created in the interest of the welfare of all wage earners of the United States, whether organized or unorganized. Inasmuch, however, as it is ordinarily only through organization that the many in any class or of any interest can become articulate with reference to their common needs and aspirations, the Department of Labor is usually under a necessity of turning to the labor organizations that exist and such as may come into existence for definite and trustworthy advice on the sentiments of the wage-earning classes regarding their common welfare. . . . Manifestly, then, the Department of Labor must invite the confidence and encourage the cooperation of responsible labor organizations . . . if it is to subserve its prescribed purposes through an intelligent and effective administration of its authorized functions.

"While the Department of Labor sustains friendly relations with labor organizations, as in the interests of all wage earners and of the general welfare it ought to do, nevertheless this attitude must not be exclusive. Similar relations with unorganized wage earners, and also with employers and their organizations to the extent to which they themselves permit, are likewise a duty of the Department. The great guiding purpose, however—the purpose that should govern the Department at every turn and be understood and acquiesced in by everybody—is the purpose prescribed in terms by the organic act, namely, promotion of the welfare of the wage earners of the United States.

"In the execution of that purpose the element of fairness to every interest is of equal importance, and the Department has in fact made fairness between wage earner and wage earner, between wage earner and employer,

DEPARTMENT OF COMMERCE
OFFICE OF THE SECRETARY
WASHINGTON

March 7, 1914.



Sir:

In accordance with section 5 of the act approved March 4, 1913, creating a Department of Labor, I have directed that the property listed below be transferred to your Department:

- ✓ One bay horse ("Mike"), 16 hands high, weight about 1200 lbs.
- ✓ One mail wagon (No. 359).
- ✓ One set of single wagon, brass mounted, harness.
- ✓ One street blanket.
- ✓ One stable blanket.
- ✓ One hitching weight.
- ✓ One halter and chain.

It is respectfully requested that the property mentioned above be removed from this Department's stable.

Please acknowledge receipt of this letter.

Respectfully,

William C. Redfield

Secretary.

The Secretary of Labor.

(The bay horse named Mike hauled all of the Labor Department's mail and freight for some time after his removal from the Commerce Department's stable in 1914.)

between employer and employer, and between each and the public as a whole the supreme motive and purpose of its activities. The act of its creation is construed by it not only as a law for promoting the welfare of the wage earners of the United States by improving their working conditions and advancing their opportunities for profitable employment, but as a command for doing so in harmony with the welfare of all industrial classes and all legitimate interests, and by methods tending to foster industrial peace through progressively nearer realizations of the highest ideals of industrial justice." (1913: 5-7)

Coordination of Functions

Under section 10 of the organic act, the Secretary was required to "investigate and report to Congress a plan of coordination of the activities, duties, and powers of the office of the Secretary of Labor with the activities, duties, and powers of the present bureaus, commissions, and departments, so far as they relate to labor and its conditions, in order to harmonize and unify such . . . with a view to further legislation to further define the duties and powers of such Department of Labor." (1914 : 99)

In January 1917 Secretary Wilson made his report on this matter. The underlying intent of the act, he pointed out, was to bring within the jurisdiction of the Department "those administrative agencies of the Federal Government which are or may be designed to conserve wage-working interests." (1917: 94) He inferred from the provisions of the act that "Congress intended to establish an executive department in the interests of wage earners yet, uncertain at that time of the ultimate form for it, had . . . left systematic additional construction to future legislation based upon information which the Department of Labor was directed to gather and formulate into a plan of coordination." (1917: 94)

The Secretary also reported that, within the Department itself, attention had been turned to the work of the bureaus "to the end that contractual relationships and possible overlapping of functions might be analyzed and regulated or corrected if found to exist." (1917: 94) Administrative rules had been developed to avoid duplication of endeavor and conflicts of authority. As a result, the "problem of intradepartmental regulation of functions and the scope of operation is thus effectually dealt with, and it is not believed that this branch of the subject needs additional statutory authority beyond that already vested in the Secretary of Labor by the organic act itself." (1917: 94)

Turning to the contractual relationships and overlapping of activities between the Department of Labor and other governmental establishments, he said it was "obviously a matter of considerable difficulty to fix and specify a boundary for administrative inquiry that would at once comprehend all those matters which might come within the declared purpose set forth in the organic act creating the Department of Labor rather than have a collateral or indirect bearing upon such purpose." (1917: 94)

Although a study had been made, he declared, showing that further legislation would undoubtedly be necessary to coordinate the scattered administrative functions relating to labor and its conditions, it would nevertheless be "neither feasible nor advisable to place directly within the jurisdiction of this department some of the concurrent authority at present conferred upon other branches of the public service. . . ." (1917: 95)

It was found that functions of the Public Health Service overlapped with those of the Bureau of Labor Statistics in the study of occupational diseases; with the Children's Bureau in the study of infant mortality, birth rates, dangerous occupations, and accidents and diseases of children; and with the Bureau of Immigration in the medical inspection of aliens (although here the relationships were found to be complementary, rather than overlapping).

Questions were raised regarding overlapping functions of the Bureau of Mines and the Labor Department in connection with health and safety, rescue work, labor and its conditions in the iron and steel industry, occupational diseases, and the issuance of publications on safety appliances.

As to the Department of Agriculture, areas of overlapping functions were noted with respect to the collecting and reporting of wholesale and retail prices and farm wages.

Questions of jurisdiction also arose in connection with the Commerce Department's issuance of licenses to masters, pilots, engineers, and others, and its concern with the hiring and welfare of seamen.

The Interstate Commerce Commission, it was pointed out, had the function of safety inspection on railroads, and the Board of Mediation and Conciliation performed functions similar to those of the Department of Labor, though limited to interstate railroad operations.

Without arguing that all of these functions should be transferred to the Department of Labor, the Secretary submitted the matter for consideration by the Congress. It had repeatedly been shown, he wrote, that "other governmental establishments, acting more or less directly pursuant to broad statutory powers granted in general terms, have been, are now, and will probably continue making investigations and conducting active work in fields which should and do come within the purpose and scope of the Department of Labor as declared by its organic law. The objects hoped to be attained may be different, but the overlapping of functions is itself confusing and tends to reduce the confidence of that portion of the public which is repeatedly called upon for similar data, in somewhat altered form perhaps, but still the same." (1917:100)

The Secretary was concerned chiefly with the need for coordination and clarification of functions in investigative work. He therefore proposed and urged that there should also be "statutory provision requiring that the results of investigative work performed by other governmental establishments, in so far as they concern labor and its conditions, should become immediately accessible and available to the Department of Labor upon request, without

reference to the proposed ultimate use of such material as collateral to the main purpose for which it was collected." (1917: 100)

Thus he limited his comments to the compilation of factual data, and made no proposal for the transfer of the bureaus from other departments to the Department of Labor.

Although these proposals for closer coordination between the Department of Labor and other governmental departments were temporarily suspended during the emergency period of World War I, the Secretary repeated them in his 1920 report at the expiration of his term of office. (1920: 226-233) No further reference is made to them in subsequent annual reports of the Department. They serve to reveal, nevertheless, some of the problems of overlapping functions which inevitably occur in operations conducted on the tremendous scale of the Federal Government, and which in more recent years were the subject of review and recommendations by the Hoover Commission on governmental reorganization, leading to congressional enactments, some of which affected the Department of Labor. (See pp. 166-167.)

Mediation

The organic act conferred on the Secretary the power to act as mediator and to appoint commissioners of conciliation in labor disputes, but made no provision for a bureau to exercise these functions on behalf of the Secretary. Therefore, the Secretary himself initially had to assume the functions, drawing on his bureaus for assistance. He appointed the Assistant Secretary and the Chief Statistician of the Bureau of Labor Statistics as acting conciliators. Only in the third year of Secretary Wilson's incumbency were sufficient appropriations available to permit the hiring of commissioners of conciliation and an executive clerk.

It became necessary early for the Secretary to express the philosophy underlying the Department's approach to the problems of mediation and conciliation.

The first essentials to industrial peace, he argued, were organization of workers and the practice of collective bargaining. On the need for collective bargaining, he pointed to the hopeless weakness of individual bargaining:

"We have but to visualize familiar facts in order to see what individual bargaining by wageworkers for employment really is; we may thus see it as wageworkers not only see it but as they so often harshly feel it. Consider the picture. A solitary wageworker faces a foreman whom he asks for work to do. Back of him a shadowy mass of individual bargainers eager for the job. Fronting him the foreman upon whose word his livelihood depends. Over the foreman a superintendent whom the foreman must satisfy. Rising above both, rank upon rank, managers, directors, stockholders, all to be satisfied by superintendent and foreman, and each rank subservient to the rank above it. The interests of all but the solitary bargainer for a job knitted together into a collective self-interest which instinctively dictates for wages the least that the labor market will allow—a market tense with competi-

tion for work but slack in competition for workers. Even this is not all. For that collective interest is permeated with similar ones through interlocking directorates and interlaced stockholding, vitalized it may be with gentlemen's agreements and by business coercion or fear of it. At the outer edge of all a lone wageworker bargains for work; bargains in a glutted labor market; bargains individually!" (1916: 48-49)

The obvious corrective, he pointed out, lies in labor organization:

"For collective-bargaining purposes alone, organization is indispensable. Without it the economic independence of wage earners would be impossible under existing industrial conditions, because workers cannot bargain collectively unless they are so organized as to enable them to bargain through representatives over whom employers can have no coercive control." (1916: 49)

Under these circumstances, the need for impartial conciliation becomes imperative, he stated.

"The Department of Labor as an executive department devoted to the just interests of wage earners has been established as one of the results of general industrial progress. Owing to well-known developments in production, the relation of employer and wage earner is no longer personal or individual. There is now usually a relationship between groups of employers on one side (such as corporation stockholders) and groups of their respective workmen on the other. Employers act collectively through their own chosen agents—corporation managers, factory or mine superintendents or foremen, labor brokers, or the like—who, in hiring laborers, represent collective financial interests. It is obvious that this method of employment, generally necessary for success in modern industry, may give to employers great contractual advantages over wage earners. Unless wage earners also act collectively through their own agents, they are often at a practical disadvantage.

"Employers who act collectively through their agents in hiring wage earners are often averse to dealing with the agents of wage earners who collectively offer their services. They desire to contract with wage earners individually. It is upon this point that labor disputes frequently spring up and become acute.

"In most instances in which employers accord to workmen practical recognition of the right of collective bargaining which they themselves exercise, fair relations are maintained. Even under such conditions, it is true, unhappy disputes arise. Whether the bargaining be collective or individual, a conflict of interest may tempt either party to make exactions which the other cannot concede. If employers yielded to every demand of wage earners, their business would be wrecked; if wage earners always accepted the terms that employers offer, they would suffer great injustice.

"In any circumstances, differences must be expected to arise. In such cases the Department of Labor, through public agents experienced in controversies of like character, might possibly find a common ground for agreement which the disputants, in their eagerness for advantage or in the heat of

their controversy, had overlooked. Difficulties of adjustment would, of course, be greatly increased if either party refused to deal or bargain with the other. But the Department of Labor, from growing experience and accumulated knowledge and skill, might learn how, even in these more difficult cases, to appeal with pacifying and prosperity-promoting effect, to the good citizenship and the wise self-interest of both parties. And, though no common ground for compromise were discovered, the Department of Labor might still be able to stimulate such conciliatory spirit as might exist on both sides, sufficiently to bring them, each nonetheless convinced of the righteousness of his own cause, to a manly agreement to submit their unreconciled differences to arbitration.

"In any of these three ways, the welfare of wage earners could be fostered while the prosperity of employers and the peace and good order of society at large were conserved. Amicable settlements between the parties themselves without mediation are manifestly first in order of preference. Mediation comes next. Arbitration third. But any of the three is preferable to strikes or lockouts." (1913: 66-67)

Employment Service¹

The Employment Service of the Department of Labor began with the creation in 1907 of a statutory Division of Information within the Bureau of Immigration. The original authority of the Division had been prescribed by section 40 of the Immigration Act of 1906. The Division in its promotion of a beneficial distribution of aliens was required to furnish appropriate information not only to them but also to others desiring it. Transfer of the Bureau of Immigration to the Department of Labor in 1913 placed the functions of this Information Division under the broader terms of the organic act, namely, to develop opportunities for profitable employment for workers. Out of this conjunction of functions was developed the United States Employment Service, established in 1915. (1916: 51)

Several of the States, notably New York, the major port of entry, had already established efficient programs of employment information, which could be used as models. To centralize Federal activities in this field, the Secretary transferred the Information Division to his Office, under the direct supervision of the Assistant Secretary. (1916: 72)

The problem was to construct a national employment service in addition to the existing State services. Its operations would be particularly appropriate to interstate relationships, and it would work in cooperation with existing State agencies in the same field.

Initial successes in attracting farm help for harvests in Oklahoma, Kansas, Missouri, and South Dakota, and in finding jobs for shoe workers thrown

¹ A detailed report on the early history of the Employment Service is presented in a special report by T. V. Powderly, Chief of the Division of Information, Bureau of Immigration, in the 1918 annual report of the Secretary of Labor, pp. 467-470.

out of employment because of a disastrous fire in Salem, Mass., resulted in 1914 in the establishment of 18 "labor distribution zones" covering Federal labor exchanges in 37 major cities. Each office was under the direction of an immigration official, whose job was "to promote profitable employment by means of publicity, to relieve the congestion of industrial centers, and to awaken interest in farm work and other rural vocations." (1914: 54) In the administration of the new Federal employment service, "special care [would] be taken to prevent fraud by giving the utmost publicity to all pertinent facts regarding opportunities for employment and to guard against both undue scarcity and excessive supply of wage earners in so far as that can be done under existing laws." (1914: 54) Arrangements also were made for the exchange of labor information through the national office among the various offices across the Nation.

As the Secretary saw the problem, involuntary unemployment was directly related to labor disputes:

"Excess in the supply of labor over demand for it is a cause of labor disputes which ranks high in importance, if indeed it does not rank as *the* cause. In colloquial terms the 'jobless man' puts all wageworkers at a disadvantage in bargaining with employers. The 'manless job' is a corresponding colloquialism. If there were a profitable 'manless job' for every 'jobless man' the complete remedy for industrial disputes would be to bring the two together; but whether so complete a correspondence exists or not, no one at all familiar with the problems of seasonal employment and of accidental displacements of wage earners can doubt that it exists in some degree. . . ." (1914: 95)

What was needed, he wrote, was "timely and widespread information concerning labor conditions in every part of the country" (1914: 95), and he urgently solicited the cooperation of Congress in attacking the problem. He advocated "the development of a unified system of public labor exchanges as widespread within national boundaries as the Department of Labor can extend it, as complete in its local organization as State and municipal offices can construct it, and as efficient, extensively and intensively, as all three in cooperation can make it. The earnest desire of the department is that this system, continuing to be independent in its original parts, shall be in the truest sense cooperative and interdependent as a whole." (1915: 32)

In April 1915, at the first national conference of public employment officials, held at the call of the Secretary, this matter was discussed and approved, and a national advisory committee was appointed.

The Department developed programs and policies regarding the establishment of a national clearinghouse system, provision for low railroad fares for workers directed to employment by the Employment Service, the establishment of a register for seamen, the organization of a women's and girls' division of the Employment Service, a children's department, and provision for older workers.

Special consideration was given to the attitude of the Service with regard to industrial disputes. As stated in the Secretary's 1916 report:

"The policy pursued by the department with reference to the labor situation where strikes exist or are threatened involves five elements, which may be generalized as follows: (1) Workers who have had experience with the employment in question do not look upon it as being profitable; (2) as there is a sufficient supply of labor already there the problem is not one of supplying labor where it is scarce, but of adjusting terms of employment where labor is plentiful; (3) the wage earners engaged in the dispute are qualified, by virtue of the training and experience they have had, to perform the kind of work required, and this would not always be the case with persons who without previous experience in that employment might respond to the reported demand; (4) for the United States Employment Service to convey information of employment offered where a strike exists or is threatened would be to place it in the position of actively assisting one side to the controversy, whereas if it does not convey such information its position is wholly passive; (5) it is a function of the Department of Labor to promote industrial peace, not industrial disturbance." (1916: 60)

In 1916 it was recommended that Congress enact a statute creating a bureau on employment in the Department of Labor. Legislation was also proposed requiring "that all employment agencies and labor exchanges engaged in interstate business be placed under the supervision of this department." (1916: 124) No action was taken, however.

Meanwhile, Terence V. Powderly, Chief of the Information Division of the Bureau of Immigration from 1907 to 1921, was authorized under "the system of employment and distribution of wage earners" established in the Department on January 8, 1915, to supervise the 80 or so field offices of what was then referred to as the United States Employment Service.

Labor Statistics

Long before there was a Department of Labor, in 1885, the Commissioner of Labor (Statistics) had expressed the basic function of his bureau as follows:

"It should be remembered that a bureau of labor can not solve industrial or social problems, nor can it bring direct returns in a material way to the citizens of the country; but its work must be classed among educational efforts, and by judicious investigations and the fearless publication thereof it may and should enable the people to comprehend more clearly and more fully many of the problems which now vex them." (1913: 22)

From its beginning, the Bureau issued a regular series of voluminous bulletins covering a tremendous range of subject, including prices and cost of living, wages and hours, industrial accidents, labor laws and court decisions, foreign labor, workmen's compensation, women in industry, labor disputes, and working conditions. In July 1915 it published the first issue of what was eventually to become the Monthly Labor Review. (1916: 87)

During the early years of the Department, the Bureau was responsible for administration of the laws relating to claims by employees of the Federal Government for injuries sustained in the service. This function was originally placed with the Bureau at the time of enactment of the law in 1908. In 1916 it was transferred to a newly created independent U.S. Employees' Compensation Commission. From 1914 to 1916 the Bureau allowed a total of over 7,500 claims, and authorized the payment of over \$930,000 in compensation. (1916: 88-89)

Children's Bureau

Shortly after its transfer to the Department of Labor, the Children's Bureau was considerably enlarged, increasing from 15 persons in 1914 to 76 in 1915.

Its activities covered a wide field of related interests, and it approached its problems with vigor and originality.

The study of infant mortality, conducted in cooperation with the U.S. Public Health Service, was concentrated in selected cities. The collected evidence indicated a close relationship between high death rate among babies and low earnings of the breadwinner, large families, poor housing, and maternal drudgery. The Bureau urged a more complete registration of births.

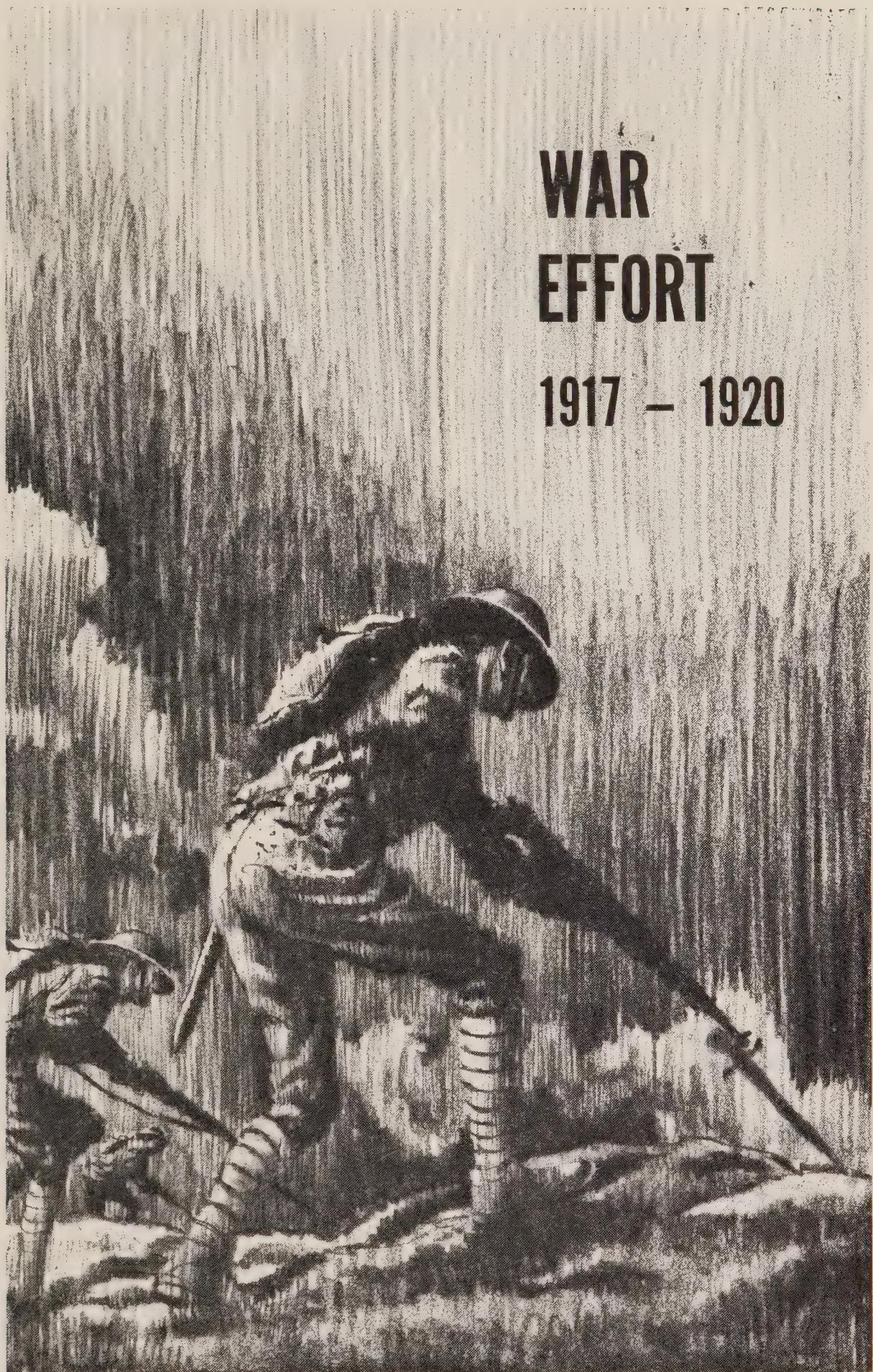
The exploitation of child labor had by this time become a problem of national concern. As a result of agitation throughout the country, a Federal child labor law was enacted in September 1916, establishing age limits in the employment of young people in interstate commerce. Administration of this act was placed in the Children's Bureau. The work of the Bureau in analyzing State child labor laws and their administration thereupon acquired new significance. But adequate statistics on the employment of children were still lacking.

Studies were also made of the extent of mental deficiency, illegitimacy, and delinquency among children.

Two significant accomplishments of the Bureau during this period were the establishment of a specialized library on child welfare, and the publication of pamphlets on "Prenatal Care" and "Infant Care" (by Mrs. Max West), which quickly became Government best sellers. (1914: 85)

WAR EFFORT

1917 – 1920



WAR EFFORT

1917-20

While the United States was putting its house in order through legislation and social action, Kaiser Wilhelm of Germany was building an army and worrying his neighbors. On June 28, 1914, a Serbian patriot shot an Austrian archduke, and this was enough to set the tinderbox of Europe on fire. Two months later the Imperial Germany Army marched into Belgium. Quickly, England, France, and other nations were drawn into the First World War.

President Wilson called on all Americans to be "impartial in thought as well as action," but little by little, the Nation seemed to draw closer to the conflict.

In the early years of the war across the sea, Secretary of Labor Wilson was able to establish the new Labor Department on a sound footing. The Federal Government, meanwhile, was concerned about its relations with Mexico, and Brigadier General John "Black Jack" Pershing was chasing Pancho Villa along the Rio Grande border.

In the Presidential elections of 1916 Woodrow Wilson was reelected largely because "he had kept us out of war." But in spite of the President's efforts, neutrality was shortlived, and in 1917 war against Germany and her allies was declared.

Fortunately, the new Labor Department had had 3 years to establish itself, and it was able to move quickly to support the national emergency. "Had the Department of Labor not existed at the beginning of the war, Congress would have been obliged to create such a Department," Secretary Wilson wrote in his 1918 report. (1918: 11) But by the time the war began, the Department had experienced several years as an integrated organization, and knew what it could do, and the prewar years during which the United States served as the arsenal of democracy had provided opportunity to develop some of the plans that later were put into action.

"Battles," as the Secretary pointed out, "are fought not only between armed men but between the factories, workshops, and mines of the contending nations. . . . The efficiency of industry [is] wholly dependent upon the efficiency of labor. The greatest essential, therefore, for our Government [at that time of crisis] was the adoption of a central labor administration and a consistent labor policy." (1918: 11)



This nine-story building between 17th and 18th on G Street, NW., was built as headquarters of the Department of Labor in 1917. The ninth floor was not included in the original specifications, and the builder could not explain how this extra floor "slipped in."

From 4 bureaus and a conciliation service at the beginning of the war, the Department grew to 13 separate bureaus and services and 2 boards. The Department became in fact the Nation's War Labor Administration.

Although, in the 1½ years between declaration and termination of the war, the Administration had insufficient time to develop and test its new functions, it nevertheless experimented in projects that later became part of the permanent functions of the Department. Some of them are described here.

President's Mediation Commission

Initially of major importance was the problem of labor unrest, which broke out in major production industries in various parts of the country during the summer of 1917. To investigate the general reasons for this unrest, the President appointed a mediation commission, of which Secretary Wilson was chairman, and Felix Frankfurter (later U.S. Supreme Court Justice Frankfurter) was secretary and counsel. (1918: 28)

After a survey on the spot, and consideration of the problem in general, the commission in January 1918 called for elimination of profiteering, recognition of collective bargaining as part of national labor policy, preventive grievance adjustment through continuous administrative machinery, an 8-hour day with overtime payment, unification of all Government establishments having jurisdiction over labor problems, abandonment by labor of practices restrictive of maximum war production efficiency, and publicity to labor's contribution in the war effort. (1918: 28)

Partly as a result of the commission's report, Congress made additional funds available for conciliation work, and the Conciliation Service was substantially expanded. Its 1918 workload of 1,217 cases was more than 3 times as great as its 378 cases in 1917. (1918: 33)

A major reason for the success of the Conciliation Service was its approach to the problems involved. As the Secretary commented:

"It has been the policy of the Department of Labor not to endeavor to impose its viewpoint upon either the worker or the management in any dispute that may arise, but rather to find some basis mutually acceptable even though it may not be mutually satisfactory. In other words, the work of mediation is not a judicial work; it is not a judicial function; it is not to hear both sides and then determine the rights and wrongs of the situation, or to pass judgment and then enforce its decision. The work is diplomatic rather than judicial, and it is in this spirit that all our problems of conciliation in labor controversies are approached." (1918: 31-32)

War Labor Administration

Statutory and appropriation limitations on adaptation of the Department to wartime requirements were in part surmounted by the establishment of a War Labor Administration, authorized by the President, to coordinate all of the labor functions distributed among the various agencies of Government.

The purposes of this Administration, as spelled out by the Council of National Defense, were:

1. To furnish an adequate and stable labor supply to war industries. (This was to be done through a system of labor exchanges, the training of workers, the dilution of skills as needed, and the establishment of labor priorities.)
2. To adjust labor disputes equitably, without stoppage of work.
3. To safeguard working conditions, including those of women and children.
4. To safeguard living conditions, such as housing and transportation.
5. To gather and publish appropriate information.
6. To promote the national labor program. (1918: 95-96)

National War Labor Board

As head of the War Labor Administration, the Secretary of Labor was advised on labor relations by a National War Labor Board appointed by the President, on recommendation by the Secretary, in April 1918. The Board was equally representative of employers (five members from the National Industrial Conference Board) and employees (five members from the American Federation of Labor). Co-chairmen were Frank P. Walsh, lawyer, and ex-President William H. Taft. The Board thus became "a body superior to all other adjustment boards then in existence." (1918: 101) It did not take over the functions of the Conciliation Service, but acted only in the event of failure of the latter to resolve a dispute.

The Board operated in accordance with a code, published at the time of its inception, which became popularly known as the Magna Carta of Labor:

"The right of workers to organize . . . and to bargain collectively through chosen representatives is recognized and affirmed. This right shall not be denied, abridged, or interfered with by the employers in any manner whatsoever. . . . [A similar clause protected employers.]

"Employers should not discharge workers for membership in trade-unions, nor for legitimate trade-union activities.

"The workers, in the exercise of their rights to organize, shall not use coercive measures of any kind to induce persons to join their organizations nor to induce employers to bargain or deal therewith."

Existing relationships between employers and workers, whether a shop was organized or not, would continue. This, however, as the report pointed out, was "not intended in any manner to deny the right or discourage the practice of the formation of labor unions or the joining of the same by the workers in said establishments . . . nor prevent the War Labor Board from urging or any umpire from granting . . . improvement of their situation in the matter of wages, hours of labor, or other conditions as shall be found desirable from time to time."

The report continued:

"Established safeguards and regulations for the protection of the health and safety of workers shall not be relaxed.

"If it shall become necessary to employ women on work ordinarily performed by men, they must be allowed equal pay for equal work and must not be allotted tasks disproportionate to their strength.

"The basic eight-hour day is recognized as applying in all cases

"The maximum production of all war industries should be maintained and methods of work and operation on the part of employers or workers which operate to delay or limit production, or which have a tendency to artificially increase the cost thereof, should be discouraged. . . .

"In fixing wages, hours, and conditions of labor, regard should always be had to the labor standards, wage scales, and other conditions prevailing in the localities affected.

"The right of all workers, including common laborers, to a living wage is hereby declared.

"In fixing wages, minimum rates of pay shall be established which will insure the subsistence of the worker and his family in health and reasonable comfort." (1918: 102-103)

The Board also established and published a procedure describing the methods to be used in presenting complaints, arrangements for holding hearings and making adjustments, and conditions for the institution of arbitration. It specified limits to its appeal function, one being that it would hear no case that had not first been found insoluble by the Conciliation Service.

In his report of 1918 the Secretary commented: "During the brief period of its existence, the War Labor Board has been one of the most effective instruments of the Department in producing historic and desirable changes in the relations of employers and wage earners in the United States. Probably the most important of these changes is that involving the right of workers to organize and to deal collectively." (1918: 109)

Among its other accomplishments before its dissolution at the conclusion of hostilities, the Board initiated cost-of-living studies, established minimum wage rates in certain war industries, and insisted on equal pay rights for women workers.

United States Employment Service

With war came the problem of industrial manpower. As the Secretary stated the problem:

"One of the first manifestations of war activity was an extraordinary demand for workers in those industries which had been stimulated by the preparation for the manufacture of vast amounts of ships, munitions, ordnance, and other materials necessary for our armed forces. Much of this demand was found to have been influenced more by eagerness for labor at wages relatively inadequate to the sharp rise in living expenses than by general labor shortage. But in some places, especially in the neighborhoods of munition establish-

ments which had been serving European war demands at enormous profits, there was a genuine scarcity of labor for less profitable forms of production. On the whole, the problem at first was less a problem of labor scarcity than of imperfect distribution." (1918: 201)

The initial solution to the problem was one of uniform procedure:

" . . . The practice on the part of employers of using private agents for maintaining their own labor supply was purely a matter of private concern so long as the practice did not extend to public work or war preparations. Nor was the situation serious so long as such private agents restricted their recruiting to industries not necessary to the prosecution of the war. Such, however, was not the case after a labor shortage set in. Employers engaged in essential work became fearful lest the efficiency of their plants be curtailed through shortage of man-power and embarked upon recruiting campaigns without regard to the source of their labor supply or the effect of their actions upon others engaged in like work. In consequence, wage earners engaged in very necessary war service were solicited to accept other service no more essential than that upon which they were engaged. Under such circumstances it was patent that the Department policy should be directed toward the ultimate centralization of the recruiting in the public agencies. Such a move, however, was delayed by the fact that the public agencies themselves were not united. Steps were therefore taken to bring together the Federal agencies with those operated by the States and by municipalities. As a result, practically all the public agencies other than Federal were united with the United States Employment Service prior to January 1, 1918. . . ." (1918: 203)

Funds having been made available by Congress "to render such assistance in the employment of wage earners . . . as may be deemed necessary" (1918: 207), all emergency employment functions were transferred from the Bureau of Immigration to the Office of the Secretary.

"This was the first definite step taken toward the organization of the United States Employment Service as a separate branch of the Department's activities. Such a course was not only necessary because of the difference in character between employment and immigration work but also by reason of the necessity for payment of the expenses of war emergent and nonemergent work out of different funds." (1918: 208)

The USES was immediately expanded, with a representative in every State. Within 6 months there were 400 employment service offices. Special services were established to attend to the employment needs of farm workers, women workers, Negro workers, and skilled and unskilled workers. Significant in the light of later developments in the 1930's was the establishment of a special branch of the Service to handle the Boys' Working Reserve for the placement of boys 16 to 21 years of age in civilian war work, particularly in the harvesting of crops. Similarly significant was the establishment of a Public Service Reserve for the hiring of professional, technical, and skilled workers. (1918: 680)

Under an agreement with various private sponsors, a Women's Land Army

program became the responsibility of the United States Employment Service, but training and supervision were managed by the sponsors. (1919: 288)

In April 1919, at a national conference, the problem of Federal-State relationships was discussed, and it was generally agreed that "a thorough and comprehensive public Employment Service [should] be permanently established." (1919: 278) A bill was drafted, and was presented to Congress by Representative Nolan and Senator Kenyon, but it failed to pass.

After the war the Service continued as a function of the Secretary's Office, but was greatly reduced in size. Although its authority derived from the Immigration Act and the Department of Labor Act, it had no statutory authority of its own. The need for specific recognition was voiced by the Secretary in his report for 1919:

"Not the least of the factors which made for national efficiency during the war was the proper distribution of labor. Prior to the war it was our custom to disregard the fact that while large numbers of men were seeking employment in some parts of the country, production was seriously hindered for lack of man power in others. During the war efficiency was brought about by bringing together these two vital and complementary factors in production through the United States Employment Service. Unfortunately since the war the Department has been forced to so drastically curtail the activities of that service as to render it ineffective of its purpose. If the Department is to fulfill the purposes for which it was created not only must legislation be passed permanently establishing the Employment Service, but it must receive liberal appropriations as well." (1919: 296)

War Labor Policies Board

The war made the U.S. Government the largest employer of labor in the country. Diversity in labor policies among the various Federal agencies, especially with regard to wage schedules, gave rise to numerous problems, with resultant confusion and conflict. To reconcile these interdepartmental differences and to achieve unified policies, the Secretary of Labor appointed a War Labor Policies Board, under the chairmanship of Felix Frankfurter. Represented on the Board were the departments of War, Navy, Labor, and Agriculture, the Shipping Board, the Emergency Fleet Corporation, the Fuel, Food, and Railway Administrations, and the War Industries Board. (1918: 115)

The Board decided that, as a means of eliminating competitive recruitment and reducing labor turnover, all unskilled labor would be obtained through the United States Employment Service, and skilled labor would be so recruited whenever the USES could enlarge its facilities.

State labor bureaus were authorized to enforce uniform standards in war production industries with regard to child labor, contract labor, the Federal 8-hour law, and arbitration.

To obtain sufficient workers in essential jobs in war industries, the Board arranged with the Provost Marshal General through the draft boards for the furloughing of certain skilled workers on the basis of national needs.

The Board also concerned itself with the improvement of labor standards and the stabilization of wages and prices. The problem of equal pay for women workers was handed over to the Woman in Industry Service. And studies of war industries were prepared to determine the extent of effective utilization of manpower. (1919: 126-127)

The Board was discontinued in March 1919.

Woman in Industry Service

Even before the declaration of war it became evident to a number of patriotic women that conditions demanded the use of some central agency for the mobilization of women workers. The National League for Woman's Service was therefore privately established and financed, to determine the needs of women workers and to make available a supply of women workers for the Government and for war industries. With the outbreak of war, the demand for woman power to replace drafted men was tremendously increased. Arrangements were therefore made, in October 1917, between the Department of Labor and the League to have the Department assume those phases of the work of the League involving the employment of women on war production contracts. Placement became the responsibility of the women's division of the USES. (1917: 71-72)

The promotion of the employment of women remained with the League until July 1918, when the Woman in Industry Service was established in the Department under a congressional appropriation. It was charged with the duty of "developing standards and policies to insure the effective employment of women while conserving their health and welfare" (1919: 129), and to coordinate the work of other departments in this field.

"... while the problems of women in industry during the war differed in form from similar problems in time of peace," wrote the Secretary, "the fundamental tasks were so much alike that the experience gained in dealing with them during the war may be regarded as a basis for action in time of peace. [The war work of the Woman in Industry Service] should, therefore, be not merely a history but an introduction to a program for the work of the Federal Government on behalf of women wage earners in the period of readjustment and thereafter." (1919:130)

The Service, as the Secretary saw it, would be largely policymaking and administrative in character rather than executive. Specifically its purposes would be:

"1. To consider all general policies with respect to women in industry and to advise the Secretary of Labor as to policies which should be pursued.

"2. To keep informed of the work of the several divisions of the Department in so far as they relate to women in industry and to advise with the divisions on all such work.

"3. To secure information on all matters relating to women in industry, and to collate such information into useful form.

"4. To establish useful connections with all governmental departments

and divisions on this subject and with voluntary agencies and societies." (1919:131)

A council of women representing interested agencies was appointed, and Miss Mary Van Kleeck was made Director. Among subjects discussed were the recruiting of women for new occupations, the development of standards governing the employment of women in industry, the employment of women in hazardous occupations, the problem of nightwork, State labor laws affecting women's employment, wages and industrial relations, the training of women and their relations with employers and other workers, and the lack of statistics.

So effective was this service that at the end of the war the Secretary urged Congress to continue its activities as a permanent part of the Department of Labor. His recommendation was approved by Congress. Public Law 259 of the 66th Congress, approved June 5, 1920, specified that it should be the duty of the Women's Bureau "to formulate standards and policies which shall promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment." (1921: 35) The Bureau was authorized to investigate and report to the Secretary of Labor upon all matters pertaining to the welfare of women in industry.

Division of Negro Economics

The migration of Negro workers from the South was brought to the attention of the Department in 1916, when farmers complained they were losing their labor supply to northern railroads. The war intensified this migration, and gave rise to other problems involving the status of Negro wage earners in agriculture and other industries. The Division of Negro Economics was established to study the problem. Headed by Economics Professor George E. Haynes of Fisk University, the Division worked in close cooperation with the USES.

Earlier, a study made at the request of the Department had revealed that part of the problem was economic:

" . . . There necessarily must be some increase in wages, and, on farms and plantations, better understanding and accounting between landlord and tenant, better housing and gardening, and more intelligent adjustment to crop rotations, and to necessary changes in methods of agriculture." (1917: 79)

The Division concentrated on improving race relations. It established State advisory committees representative of Negroes and cooperating white citizens, where such problems existed, and sought to overcome the problems by mutual understanding and cooperation. (1919: 123) These committees were established in 10 States and 225 local areas. Many talks were given throughout the Nation, in war production plants, in churches, and at mass meetings, and employers were advised on how to improve the conditions of their Negro employees, and so increase production.

Despite the request of the Secretary for continuance of this service after the war, Congress refused to restore the appropriation, and the service terminated in March 1921.

Farm Service Division

As the Nation grew in size and population, the problem of obtaining sufficient farm labor, especially during the harvest season, became increasingly acute. The Department of Labor contributed its first service in this connection when, in 1914, the Division of Information of the Bureau of Immigration, in cooperation with the postal authorities, advertised for and obtained laborers for the wheat harvest. In the next year it also helped in the Northwest fruit harvest. The setting up of labor distribution branches throughout the United States did much to establish this service as a continuing function.

At the same time, the Department was aware of the need to protect the welfare of the farm workers:

“Anticipating the embarrassment, loss, and suffering to which unemployed wage earners have long been exposed by irresponsibly advertised opportunities for farm work at harvest time, the department was careful . . . to put applicants on their guard with reference to wages, to the probable period of employment, to the character and circumstances of the work offered, and to the responsibility of the person promulgating the call. . . .” (1915: 34)

With the conversion of the Division of Information into the United States Employment Service in 1915, the farm service program became more definite, and with the urgent food-supply needs of war its functions rapidly expanded. In cooperation with State authorities, the railroads, and farming groups, “not a bushel of wheat was lost through lack of labor.” (1919: 270)

The Farm Service Division was established in December 1918. With Kansas City as headquarters, and temporary offices up the line as needed, it directed thousands of workers to places of labor shortage, and, on the basis of a regular series of bulletins, kept workers advised as to areas where labor supply was ample.

Timely help also was given in the harvesting of cotton and corn in the Imperial Valley, fruit and grapes in New York State, and potatoes in Maine.

A special organization, the Boys’ Working Reserve, was developed in 1917 to arrange for the employment of young men to help in local harvesting. (1918: 212)

During 1918 the Division was entrusted by the Immigration Service with the duty of arranging for the temporary admission of farm laborers from Mexico and the Bahamas. (1918: 216)

In March 1919 the Farm Service Division was curtailed and returned, with the USES, to the Bureau of Immigration. During its 10 months of war effort, it had placed 221,000 farm workers, excluding the thousands placed through the Kansas City office. (1919: 289)

One of the reasons for the success of the farm service program was that

Division officers kept in continuous touch with both workers and employers to adjust supply to labor needs. And one of its main problems was the cost of railroad transportation when compared with the then generally prevailing wage rate of from 50 to 70 cents an hour. According to the 1919 annual report:

"It is the opinion of the Kansas City field office that with normal labor conditions prevalent in the country during another harvest season, it will require either an abnormally high wage scale or a material reduction in railway rates to bring in sufficient labor to harvest the crops." (1919: 292)

Child Labor Division

In September 1916 Congress passed the Child Labor Act. To administer this law, a Child Labor Division of the Children's Bureau was created in January 1917 under the direction of Miss Grace Abbott. By arrangement with the States, employment certificates were issued as the employers' evidence of proof of age, and State officials were authorized to act as inspectors under the Federal act.

In June 1918, however, the law was declared unconstitutional on the grounds that the "interstate-commerce clause could not be invoked to prevent child labor within the respective States." (1918: 179)

Following this, the War and Navy Departments issued orders prohibiting the employment of children on reservations under their control. In addition, the War Policies Board urged that the standards of the Federal child labor law be written into all Government contracts, to the effect that "the contractor shall not directly or indirectly employ in the performance of this contract any minor under the age of 14 years, or permit any minor between the ages of 14 and 16 years to work more than eight hours in any one day, more than six days in any one week, or before 6 a.m. or after 7 p.m." (1918: 180)

The Bureau continued to print and publish age certificates for States wishing to cooperate.

The Bureau was also deeply concerned with child labor in rural areas. And it conducted a back-to-school drive throughout the United States. In 1919, after numerous conferences with interested agencies, it published a set of minimum standards on child labor, with specific reference to age, education, physical condition, hours of employment, wages, and supervision on the job. (1919: 247) ¹

Similar standards were published on the health of mothers and children, infants and preschool children, school children, and adolescents.

Training and Dilution Service

In July 1918, in a memorandum from the President to the Secretary of Labor, the Training and Dilution Service was established to develop in war production plants "a satisfactory method and administration for training of

¹ Because these standards are substantially similar to those published in 1950, they are omitted here.

workers" and "an agency for dilution of skilled labor as and when needed." (1918: 125)

The Secretary made it clear that training was to be in shop methods and not in school subjects covered by vocational education. He also pointed out that job dilution "consists essentially in a reorganization of work so as to turn over to unskilled labor a large part of the processes formerly done by skilled workers." (1918: 126)

With the termination of active hostilities, 147 training departments were in full operation in war industries. Training ranged from a day or two to several months. (1919: 157)

In addition, experts were engaged to prepare pamphlets and plans regarding: "(a) training of existing labor forces for higher efficiency and wider knowledge of their employments, (b) training of new labor, and (c) training of experienced workers to be foremen." (1919: 158)

More than 20 major industries were studied in this manner, and employers showed considerable interest. Evidently industrial training was found by the industries themselves to be of practical value for peacetime service.

A major factor in employer motivation, apparently, was the interest of their competitors in training:

"... Employers began to find that where a rival had a good training department a better class of employees sought his employment for the wider opportunities afforded them; that better grades of work were turned out and better wages earned, with consequent decreased turnover and cheaper production even on higher wage scales. Whereupon they also asked for advice . . ." (1919: 159-160)

For lack of continued appropriations, this service terminated in June 1918.

Working Conditions Service

The purpose of the Working Conditions Service, as stated in the President's instructions of July 1918, was to set up "machinery for safeguarding conditions of labor in the production of war essentials." (1918: 138)

More specifically, its duties were:

"... To examine into the matter of working conditions in the war industries, to determine the standards as to conditions which should be maintained . . . to adopt rules embodying such standards and explaining them, to determine the best means of securing the adoption and maintenance of such standards and to cooperate with State authorities for the above purposes." (1918: 140)

The Service was divided administratively into three divisions—industrial hygiene and medicine, safety engineering, and labor administration.

Since it had only advisory functions, the Service was determined to develop "a bureau whose function and duty it should be to furnish industries with information and suggestions for the betterment of working conditions." (1919: 190) It offered to industries a "consultant service of specialists in employment management, industrial relations, sanitation, ventilation, illu-

mination, medical supervision and service, and accident prevention." (1919: 191)

This service was considered "a business proposal based upon the conviction that good working conditions are good business. Good working conditions build up a spirit of good will toward the management and result in greater efficiency and increased production." (1919: 191)

For lack of continued appropriations, the Working Conditions Service terminated at the end of the fiscal year in June 1919.

Housing and Transportation

One of the first problems to come to the attention of Secretary Wilson was the problem of housing large numbers of war workers who had been gathering in industrial centers in such numbers as to exceed housing facilities. The Department of Labor was made responsible for the industrial housing and transportation program. More than \$100 million was appropriated for this work. The Secretary established a Bureau of Industrial Housing and Transportation to administer the program. (1918: 133)

To avoid the problem of local taxation, the Secretary organized, in addition, the U.S. Housing Corporation as an agency of the Federal Government. Contracts were made for a number of housing projects, and arrangements were made for increased transportation facilities. Wherever possible, the full use of existing facilities was explored before additional buildings could be constructed. Furthermore, as a matter of policy as well as thrift, these Federal resources were not made available "until every community concerned [had] exhausted its own resources." (1918: 137)

During its life of only 5 months, the Bureau of Industrial Housing and Transportation accomplished a great deal, and aroused the interest of municipalities everywhere. With the armistice it began to disband, maintaining only those projects already completed, and even these were held only until they could be disposed of at a sufficient price.

International Labor Conference

In August 1918 the German generals blamed "fresh American troops" for their growing number of defeats, and they secretly warned the Berlin government that the German cause was lost. The Allied armies were pushing ahead on the whole French-Flemish front, and on November 9 the Kaiser abdicated and escaped into Holland. Two days later a delegation of German civilians signed an armistice of total submission in Allied railroad-car headquarters.

For most Americans the armistice meant an end to the strains of mobilization and the terrors of war. But for President Wilson and his Cabinet officers it brought the beginning of another grim struggle—the struggle to win a just and honorable peace.

Woodrow Wilson decided to go to the peace conference himself and fight for 14 points of settlement. He soon found that he alone of the Big Four

at that conference stood for "peace without victory." His greatest success, after days of debate, was in writing into the treaty the Covenant of a League of Nations. Eventually, the United States Senate would reject this.

From the point of view of Secretary of Labor Wilson, one of the most significant developments arising out of the peace treaty was the establishment of the International Labor Office as part of the League. (1920: 199-209)

The first International Labor Conference was held in Washington, D.C., in October 1919. Administrative details were worked out by the Department of Labor. The Secretary of Labor served as chairman.

At this meeting, permanent officers were elected, and various countries were formally admitted to Conference membership. Conventions and recommendations of various kinds were adopted by the Conference with respect to the 8-hour day and the 48-hour week, unemployment, employment of women and children, and certain safety practices.

A second International Labor Conference was held at Genoa, Italy, in June 1920, where conventions were adopted regarding working conditions for seafarers.

Subsequent to the report of the Secretary of Labor for fiscal year 1920, no further mention was made of this activity in reports of the Department until 1934.

National Industrial Conference

Termination of the war ended the functions of the National War Labor Board, and at the same time rendered void the self-denying aspects of bargaining agreements between labor and management that had been established under the stimulus of patriotism and war urgency. There was now need for "some permanent understanding . . . by which a new basis for the future conduct of industry might be reached." (1920: 210)

The President therefore called for a National Industrial Conference to be held October 1919. The persons who attended were representative of the public, the Chamber of Commerce of the United States, farmers' organizations, the National Industrial Conference Board, railroad management, investment bankers, the Railroad Brotherhoods, and the American Federation of Labor. The public, employers, and labor were equally represented.

"From the beginning it was evident that no decision could be reached unless an understanding was had with regard to the right of collective bargaining." (1920: 213)

Adjournment was delayed by a written request from the President urging the members to find an agreement. The labor representatives thereupon proposed the following:

"The right of wage earners to organize without discrimination, to bargain collectively, to be represented by representatives of their own choosing in negotiations and adjustments with employers in respect to wages, hours of

labor, and relations and conditions of employment is recognized." (1920: 214)

The public and labor groups voted unanimously in its favor, but the employer group, by a divided vote, rejected it.

"... Although an overwhelming majority of the delegates were in favor of this proposal, it was, nevertheless, not adopted, since the rules already adopted by the conference required . . . a majority of each group to declare the judgment of the conference." (1920: 214)

The labor representatives thereupon withdrew from the conference. The President asked that the public group remain, and the conference was closed.

The public representatives then prepared a substantial report for the President. They pointed out that the steel strike then going on had aroused feelings of antagonism and prevented calm thinking. The conference, they argued, had demonstrated the futility of attempting to deal with the problem of labor relations in a piecemeal way. They offered for his consideration a comprehensive and systematically developed program (1920: 215) which had been prepared prior to the conference by the Secretary of Labor.

A second and smaller conference to be presided over by the Secretary of Labor was called by the President in January 1920. It prepared and published a final report recommending "joint organization of management and employees for prevention of industrial disputes, and a comprehensive plan for adjusting such disputes when they occur.

"Among the particular matters upon which the final report of the conference commented were collective bargaining, hours of labor, women in industry, child labor, housing, wages, profit-sharing, public employees, agriculture, and unemployment." (1920: 217)

Summary of This Period

In his report to Congress in 1920, Secretary Wilson summarized the transformation in his Department during its first 7 years as follows:²

"... No other department of the Federal Government has been organized and developed under such trying circumstances. Before this Department had been fairly organized the greatest war in history broke out. . . . The industrial life of America shifted overnight. To meet that emergency a virtual reorganization of the Department . . . was forced upon it. . . .

"Besides those permanent subdivisions of the Department which were drawn into wider and more difficult channels of service by the war, there were many temporary subdivisions which it became necessary to create and harmonize. Interdepartmental complications called for an interdepartmental labor-adjusting agency; labor disputes in activities involving war efficiency necessitated a board for speedy and unprejudiced decisions upon the merits of such disputes; the coming of women into war industries involved a women's

² A recapitulation of this period is presented in the annual report for fiscal year 1920.

subdivision in the Department; the relations of Negroes to industry made a Negro subdivision necessary; the importance of industrial training, of expert investigations, and of keeping the public properly and promptly informed, demanded subdivisions especially charged with those responsibilities.” (1920: 53–54)

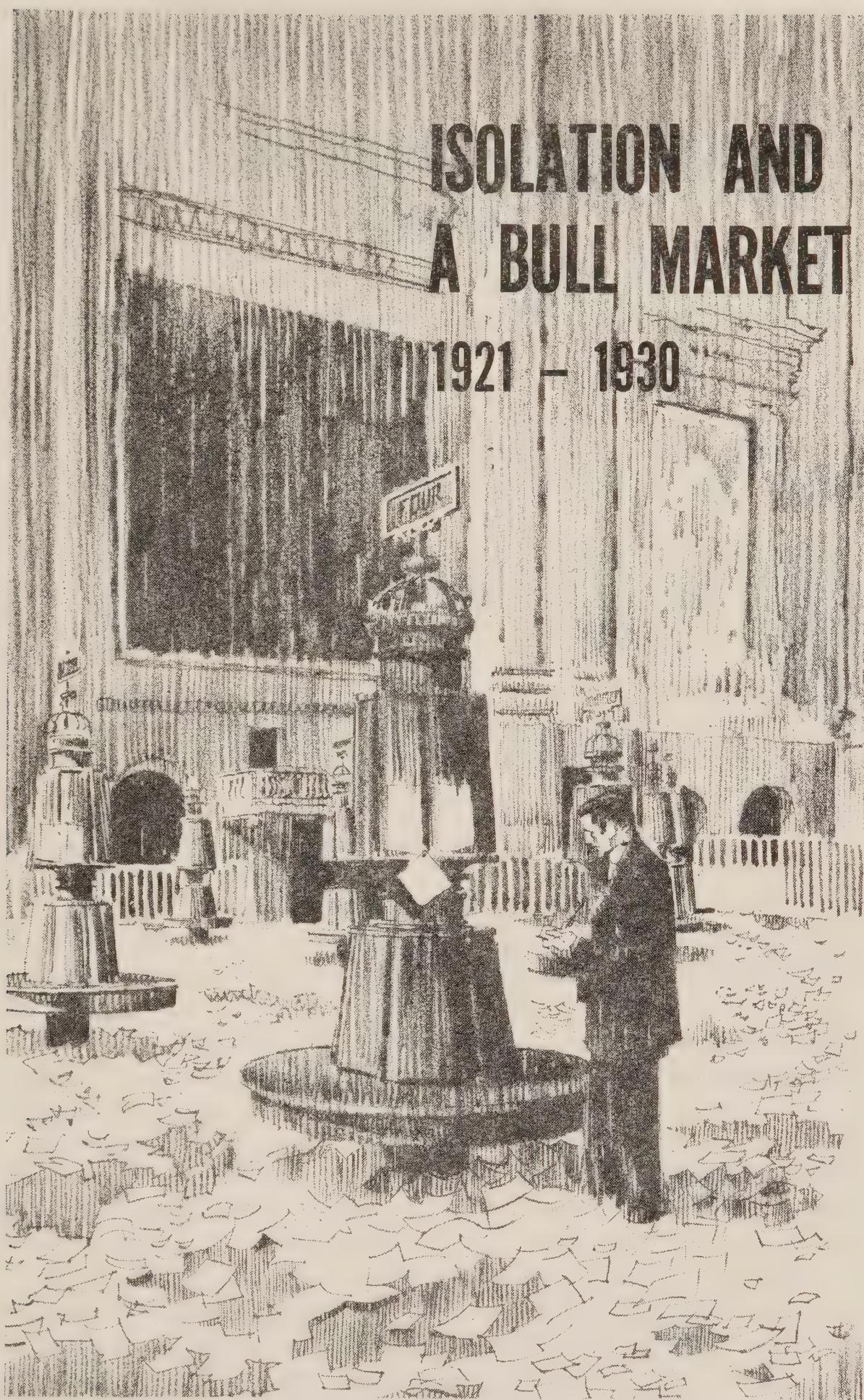
The Secretary said that although many of these functions were discontinued with the coming of peace because they were purely war functions, others should have been continued:

“It is a matter of regret . . . that [they] were abandoned, for they are as needful in peace as in war. It is a matter of regret in particular that two agencies which were of special importance had to be practically abandoned. Although the organic act of the Department of Labor specifically charges the Department with improving the working conditions of wage earners and advancing their opportunities for profitable employment, two services of the Department devoted to the first object—the Working Conditions Service and the United States Training Service—have been of necessity abandoned, while the one devoted to the latter object—the United States Employment Service—has been forced to curtail its work.” (1919: 2)

In spite of postwar cutbacks in the Department’s services, the first Labor Secretary could look back with satisfaction upon 7 years of yeoman duty for the wage earners of the Nation. Wilson completed his services in the Cabinet at the end of Woodrow Wilson’s second term of office and returned to his home in Pennsylvania. His greatest job was done.

ISOLATION AND A BULL MARKET

1921 — 1930



ISOLATION AND A BULL MARKET 1921-30

The Republican Party rode into power in 1921, following the defeat of Woodrow Wilson's internationalism and "New Freedom." By a decisive majority, Warren G. Harding was elected President, and he soon named James J. Davis of Indiana as his Secretary of Labor.

In his early years Davis had been an iron puddler in the steel industry but for most of the time was director-general of a major fraternal order. An immigrant from South Wales, he learned the problems of wage earners in the prospering Midwest.

Davis served as Secretary of Labor for 9 years. He saw the Department through its postwar adjustments and into the period of booming investments and eventual stock market crash. He was a Cabinet member under three Presidents.

No major changes occurred in the organization and growth of the Labor Department during the twenties. Nevertheless, some significant events were recorded in his reports to Congress which had special impact on several of the bureaus.

Growth of a Philosophy

Experienced in the problems of working men and women, well read, and philosophically inclined, Secretary Davis' impress on the Department derived from his role as observer and teacher. His comments on the times include the following:

"The material progress of America is one of the most astonishing things recorded in the annals of nations. Our wealth . . . is 40 percent of the entire worth of the earth." (1928: 166)

"The wealth of our country is being produced at a far more rapid rate than ever before, and with a far lighter tax on the time and the energies of men. The result is more wealth for us all to share, more leisure in which to enjoy life. . . ." (1927: 143)

"Many striking changes of vital importance in the economic field and throughout industry generally have occurred since 1921. . . .

"There has been a gradual decrease in the working hours and a betterment of working conditions, with increases in wages in nearly all sections of our country, with the consequent benefits in the way of . . . improved standards of living" (1930: 1)

"Twenty-five years ago the 60-hour week was general for all classes of labor Now the 48-hour week obtains for practically all classes of labor, with a very considerable number on a 44 and even a 40-hour week. . . .

"At the same time . . . the standard of living has risen Comparing the rates of wages in the organized trades and taking the average wage rate of 1913 as the basis, or 100, the hourly rates of wages to such workers have increased from an index of 89.7 in 1907 to an index number of 259.5 in 1927. On the same basis the hours of work per week have decreased from 102.6 in 1907 to 92.4 in 1927." (1927: 138)

"Our American workers share in the great wealth now being produced, because they have acquired the multiplicity of wants that formerly distinguished only the aristocracy. There is virtually no want possessed by an American employer of our day which is not shared by the men whom he employs. The meaning of this fact to business ought to be evident to all. Before you can have economic progress you must accomplish two things: The first is to create the multiplicity of wants [and] the other is to enlarge the class that shares this multiplicity." (1928: 170)

"There is nothing bought and sold in the market that a worker of our time will not buy if he is paid a wage sufficiently remunerative to enable him to do so. . . . The notion that prosperity is produced by a wealthy class is antiquated. . . . Prosperity is not the product of a class; it is the product of the mass." (1928: 169)

". . . our home market means the purchasing power of the workingman, and his purchasing power means the relation of his wages to production and price. Our relatively small exports, when measured in percentage of the whole of production, must emphasize . . . the fact that in home market, not in exports, lies the safety of American industry and American business. The way to enlarge the home market is to enlarge the purchasing power of the vast majority of persons who constitute that market; that is to say, the workers." (1927: 138)

"But . . . this striking fact [of our enormous production and wealth through the use of machinery] would mean little . . . if the masses of our people did not share its benefits." (1928: 166)

"My only concern is that we shall study to see this great wealth as evenly distributed as it should be. While this automatic machinery of production is a boon to mankind, it has one tendency that must be watched. It lifts the heavier burdens from men, but it also tends to relieve them of the necessity of possessing as much skill as formerly. The machine itself supplies the skill. One effect of this might be a gradual reduction of all labor to the level of semiskilled labor, with a further temptation to some employers to pay the wages of semiskilled labor.

"It must not be. To scale down the wage is to scale down the market, and if that is done our marvelous machines defeat themselves. . . . One of the more serious social aspects is in the tendency of labor-saving machinery to

displace hand workers at a rate more rapid than they can be absorbed in new pursuits. We must guard against the general economic loss we shall suffer if labor-saving machinery is to load us down with chronic increases in the nonproductive and unemployed. We all lose something the moment a single worker loses an opportunity for employment and ceases to produce wealth. We must not curtail our markets in that way, either." (1927: 143-144)

"... we shall be paying too dearly for the prosperity of a few if machines become so efficient as to impoverish the many by keeping them unemployed." (1928: 173)

"... we must ... recognize that the genius for inventing mechanical devices must be augmented by ways and means of utilizing the men and women which those devices so often displace. With every labor-saving machine there should be devised a way of using the worker whose labor is saved, regardless of whether or not he has reached middle life. His training, efficiency, and experience must not be scrapped while it has yet remaining a large store of usefulness." (1930: 4)

"Our well-being as a Nation depends largely on the prosperity of the workers. Our tariff has been so devised as to protect them from competition with foreign wage earners employed for less wages and living under lower standards than our own workers. The restrictive immigration law has spared our work people from competition at home with an unlimited number of immigrants who, if permitted to do so, would compete with our labor for jobs. We have seen the beneficial effects of these safeguards in the great progress of American industry. . . ." (1928: 177)

"... action to limit the number of entrants from foreign lands, no matter how worthy they might be, was essential in order to supply employment to those of our own workers who were unemployed, as well as to prevent the importation of hundreds of thousands of aliens who were coming here to seek employment only to find that it was not available." (1930: 1)

"Our country can not be wholly prosperous unless the industrial and agricultural conditions in the various sections of the Union are uniformly satisfactory." (1930: 3)

"... from any ailing industry an expanding circle of loss flows out into many another industry. No one great industry can be ill without affecting them all." (1928: 175)

Scope of the Department

Following World War I, the Department was reduced to little more than half its wartime size—from a gross of 6,391 employees in 1919 to 3,563 in 1920. Almost all of this loss occurred among war emergency workers in the Employment Service.

It should be noted that 676 of the total in 1920 were employed by the U.S. Housing Corporation, which, although located in the Department of Labor for administrative purposes, was not under civil service.

Lacking statutory legislation, the employment, conciliation, and housing functions were administered as part of the Office of the Secretary.

By 1930 the Department comprised 4,925 persons, most of the net increase over 1921 being in the Bureaus of Immigration and Naturalization.

Some measure of growth is also supplied in terms of space occupied. In 1921 the total occupied area was 93,000 square feet, which included the departmental headquarters at 1712 G Street, NW.; offices of the Children's Bureau, Women's Bureau, and Employment Service in Tempo 4 at 20th and D Streets, NW.; and the Housing Bureau at 1330 G Street.

By 1930 the Department had overflowed this space, and needed still more. Total occupied area was 120,000 square feet. Headquarters were still at 1712 G, and the Children's and Women's Bureaus in Tempo 4. USES and Immigration were located in Tempo 1 at 18th and D Streets. Publications and Supplies and parts of Immigration and Naturalization were in the Labor Annex, behind the main building. Naturalization had offices in the Walker Building, 462 Louisiana Avenue, NW. Housing had recently moved to the Investment Building at 15th and K Streets, NW.

Conciliation

In the history of the Department of Labor, the work of the Federal Conciliation Service was conducted with skill and without fanfare. Even though some of its accomplishments were major contributions to industrial peace, and ordinarily would have been given dramatic publicity, the men and women in the Service claimed little public credit, preferring to let the results of their efforts speak for themselves. Their functions were diplomatic, not administrative. As the Director stated their position:

“. . . in the function of conciliation in labor disputes, a point developed is the fact that too much publicity not only affects the work of our officials, but often disastrously affects the relationships of those concerned, even after the controversy has been terminated. As in the diplomatic service between nations not all the real negotiations can be published, so this might be designated as the diplomatic service of American industry, and in its work, at times, neither the negotiations nor all of the results of mediatory efforts can be given any publicity because of the tensity of feeling existing and the necessity for a period of ‘cooling time’ in which the feelings engendered in the actual breach may lose all their bitterness. For after all, human pride is a common attribute of both employers and employees, and must always be taken into account.” (1930: 38)

For this reason statistics alone provide an inadequate measure of the Service's contribution. In hundreds of cases its representatives acted in an advisory or consultative capacity.

“. . . Many of these [cases] would have resulted in strikes or developed a degree of unrest which would have interfered with the progress of the plants or operations. Thus, by quiet but nonetheless effective methods, matters were arranged without any credit coming to the service other than that

known to the directly interested parties. And by this means scores of strikes have been prevented." (1930: 38-39)

The reputation of the Service spread by word of mouth. Increasing numbers of employers and employees whose relationships had become involved in dispute called on the Department for its good offices. The results were reflected in a "gradual reduction in the number of trade disputes." (1930: 39)

In the event of failure to settle a dispute, the conciliators usually suggested submitting the matter to arbitration when both parties had "previously voluntarily agreed upon the matters to be submitted" and would "accept the decision and conclusion of the arbitrator or arbitrators." (1927: 15)

Experience showed "that American employers and employees are not favorable to the principle of compulsory arbitration in labor disputes. . . . Neither legal enactment nor compulsion seems to be practicable and proper as a means of bringing about industrial peace. The remedy lies not in governmental or other interference between employer and employee but, rather, in direct negotiation and mutual understanding. This objection, however, does not apply to voluntary arbitration when both parties, in the beginning, have agreed upon the form and the methods to be used in arbitrating their differences, and that they will accept as binding the opinion or conclusion of an arbitration board, made up in accordance and functioning in accordance with their mutual wishes at the time they agree upon such a plan as satisfactory approach to settlement." (1927: 15)

The Service also established cooperative relations with the States:

"Among the pleasant aspects of conciliation which have existed in the department's mediatory efforts is found a strong bond of cooperation which has gradually come into being between the Federal Conciliation Service and the mediatorial agencies of some of the States where machinery for handling trade disputes has been created. Out of this relationship and cooperation much good has been accomplished through teamwork between State representatives and the Federal Conciliation Service." (1930: 38) ¹

Employment Service

Shortly after the armistice the employment offices of the several States that had been absorbed were turned back to the States. Cooperative arrangements were entered into between the Federal Employment Service and the offices that were retained by some of the States. Accordingly, the Employment Service became "a clearing house with but a skeleton organization." (1930: 7) It continued at that level of organization throughout the decade covered in this chapter.

¹ An interesting note appears in the Secretary's report for 1926: "Congress, by act approved May 20, 1926, created the United States Board of Mediation for the prompt disposition of disputes between carriers and their employees. I believe, and I feel that this belief is shared by members of that board, that its activities are in such close relation to those of the Department of Labor that it should be housed in the Department of Labor Building." (1926: 4)

Having no statutory authority of its own, the Employment Service was administered by the Office of the Secretary of Labor. It operated on an appropriation of little more than \$200,000 a year, and of this amount, the Director estimated, about a third was distributed as small grants to enable various State and municipal public employment offices to continue in business. (1923: 35)

The pattern of Federal-State cooperation, which had been established during the war years, was continued. Establishing and conducting public employment services was regarded as a State responsibility:

"... The official head of each State employment service, or, where a State service did not exist, the authorized representative of a local employment bureau became the Federal Director of the United States Employment Service at a nominal salary of a dollar a year; the employment offices [which had been] successively turned over to the control of the State or local authority carried with them the furniture and equipment, together with the franking privilege and such blanks and forms as were deemed necessary to facilitate the transmission to the Washington office of uniform reports; and, finally, a sum of money was allotted to each of the States in which a cooperating employment service was maintained to provide for the additional clerical service which such cooperation entailed." (1920: 145)

"... In some instances the service pays, wholly or in part, the salary of employees needed to carry on its work where sufficient State funds are not available, but such financial participation is both necessarily and purposely limited." (1929: 27-28)

In 1921 the Employment Service detected evidence of an economic depression. In 1922 the Secretary reported: "Confronted with practically an unprecedented period of unemployment during the past year the United States Employment Service has demonstrated its usefulness and to it much credit should be given in lessening the burden of the depressed industrial situation. . . . During the peak of the unemployment period . . . between five and six million wage earners were out of employment." (1922: 28)

The farm labor function of the Employment Service continued as a major service of the Department because of its earlier successful contributions in directing workers to places where they were needed.

"... seasonal labor work is necessarily an interstate activity. Since it involves the movement of vast armies of laborers over great areas covering many States it can be accomplished effectively only by proper coordination of the various labor districts through a highly specialized seasonal labor organization that is thoroughly familiar with crop acreages and conditions throughout the entire territory to be served. Naturally, therefore, it is a Federal function. Having in mind the whole territory to be served this labor must be recruited, and it must be so directed as to bring about, so far as possible, an equitable distribution. One agricultural district must not be favored to the detriment of another. It is all essentially emergency labor and its distribution must be based upon the actual need for such laborers.

This can be accomplished best by an impartial Federal organization. The various States and seasonal labor sections must be so linked together as to result in as few and as short gaps as possible between employment periods. The success in meeting seasonal labor requirements rests upon absolutely square dealing with the laboring men as well as the farmers. Again a Federal agency can meet this condition best, as it plays no favorites and realizes that upon the confidence of the laboring men depends the solution of the immediate problem and the ability to recruit and distribute the requisite number of men in future seasons." (1925: 35)

The success of the division's operations depended on the cooperation of numerous other groups: farmers, State and local labor officials, the newspapers, the railroads, post offices, chambers of commerce, agricultural county extension agents, and businessmen. It depended also on intelligent planning. In the wheat-belt operations, for example:

"It has established a daily reporting system by which the central office or the field headquarters receives a record of the daily activities together with reports of shortages, surpluses, labor needs, wages, and all facts necessary to the intelligent handling of men in the harvesting of the crop. It issues a summary of conditions, which is mailed practically every day to the field men and all cooperating agencies. It has information as to dates when releases will occur and of the number of men that will be available for use in the fields farther north. It is able to announce to the sections demanding labor whether it will be available at a given time, and it proceeds to move the labor to meet those demands. It controls the movement of labor already in the field, holding it in employment in threshing or on the farms, if immediate demands in the line of the harvest to the north will not absorb the available supply. If the available supply is not adequate to meet the approaching needs, it has developed this information sufficiently in advance to enable it to recruit such additional labor as may be required." (1927: 34)

From the wheat belt, services were expanded to other crop areas: "to the cotton producers of Texas, Arkansas, Oklahoma, Mississippi, and Louisiana; to produce sections of southern Texas, Colorado, Washington, and Oregon; to the great strawberry districts of northwestern Arkansas and southwestern Missouri; to the potato producers of the Red River Valley; to the fruit orchards and berry fields of Washington and Oregon; and to the corn producers of Iowa, Nebraska, Missouri, and Kansas, particularly in the harvesting of these crops, but as yet it has not been able to apply the same effective organization to these crops as in the Wheat Belt." (1927: 34)

By the end of this decade the division had permanent offices in Kansas City, Fort Worth, San Antonio, Denver, Sioux City, Sioux Falls, Fargo, Spokane, and Shreveport, and over 100 temporary offices located at strategic points in between.

Two particularly interesting observations were made toward the end of this period:

"A new problem has grown out of the changed mode of travel of harvest

laborers from rail to auto, which this year required more careful checking and greater organization in proportion to the number of men handled than in any previous year. At this time it is apparent that the future small-grain harvest will be handled largely by laborers using auto transportation. This means that the machinery for recruiting, directing, and moving men into the fields will have to be reorganized. . . ." (1926: 35)

"In the last few years revolutionary changes have taken place in the invention of labor-saving devices for the harvesting of seasonal crops, and in no branch of agriculture have the newer methods been more felt than in wheat harvesting, the new machine being able to harvest approximately 50 acres per day and reducing the number of men formerly required for wheat harvest. The wide introduction of this machine has at times complicated the placement work of the farm labor division. Seasonal conditions which occasionally arise render the use of this machine impracticable. At such times the division is pressed to the utmost to supply harvesters for the emergency." (1928: 29)

The junior division of the Employment Service dealt with youth of both sexes "between legal working age and 21." (1921: 17) Its purpose was "to aid the schools of the country in assisting boys and girls to select and prepare for some definite occupation in which they may be efficient, productive, and constructive workers, and to offer employers the best possible facilities for the selection of their junior employees." (1921: 17)

This kind of service was needed because:

". . . The great army of boys and girls, having finished their required schooling, are unprepared to enter into industry or business. Many of them have no definite plan as to what work they desire to undertake for a life's vocation." (1926: 36)

Initially the program was experimental, to determine the best way of providing guidance and placement services. The national office coordinated the work, and developed uniform policies and procedures. In practice the division worked in close cooperation with the vocational guidance departments of the public school system. Every individual applicant was considered as a special case:

". . . No junior officer fails to find out why the junior has left school, and if his reason is not imperative an attempt is made to persuade him to return by showing him how serious a handicap is lack of education . . ." (1924: 41)

The philosophy behind this service was that the placement and guidance officer should not attempt to dictate the vocation the junior should follow, but rather could "render valuable assistance to the applicant . . . when he or she applies for their first job. A junior, when seeking his first job, may not find himself or be able to decide what line of work he is best fitted for, and without intelligent direction fails to meet the exacting demands of business and industry. Proper guidance would save many applicants from entering into blind-alley jobs . . ." (1930: 57)

By the end of the decade cooperating junior placement divisions had been established in 31 cities in 16 States, and annual placements of juniors had reached a total of 31,400. (1929: 30)

The industrial employment information service was initiated as a result of a survey of unemployment in 1921. It published a monthly statistical analysis, by industry and geographical division, covering "general and specific industrial employment conditions; the distribution of labor; and the fluctuations in employment." (1921: 16) The data were compiled from reports submitted by Employment Service district directors containing figures supplied by identical firms of over 500 workers on the payroll in 65 of the principal industrial centers.

In December 1923 the functions of analyzing and publishing the data were transferred to the Bureau of Labor Statistics. (1924: 42)

In the last year of this decade, 1930, special services were established for veterans, and arrangements were being made for employment services to Indians.

Labor Statistics

A very adequate summary of the work and progress of the Bureau of Labor Statistics is presented by the Commissioner in the Department's 1930 report:

" . . . in attempting to carry out [the Department's] obligation and duty toward the wage earners of the country it is essential that there shall be available at all times accurate information upon which action may be based. The gathering of this information is the function of the Bureau of Labor Statistics. It is the fact-finding agency of the department. It furnishes through its various statistical and research activities a continuously unrolling picture of the essential facts regarding the working and living conditions of the American wage earner—his wages, his hours of labor, his employment, his standard of living, his opportunity for improvement, etc. Thus we are kept informed as to the good spots and the bad spots in the labor life of the country, and accordingly we can take appropriate measures for the maintenance of the good and the removal of the bad. Without such information all labor policies of the department would be adopted in darkness and would almost certainly be futile.

" . . . During the last 9-year period there has been a very marked increase in the value of the work done by this bureau. Some of the changes for the better are concerned with the quality of the work, and this is too intangible a factor to permit of analysis. Other changes, however, are entirely tangible.

"The bureau has continued to cover all of the various subjects of inquiry initiated prior to 1921 and, in addition, has undertaken many new lines of labor statistics and research. It has widened its scope, developed new avenues of approach to its problems, added to its storehouse of accumulated facts, and intensified its experience. While it is not even endowed with legal powers to compel the furnishing of the statistical data it collects, it has so won the confidence of the public and of the employers and employees that it no longer

experiences any difficulty in securing voluntarily any information it may seek.

"In 1921 the bureau began the collection of current data on building permits issued in principal cities. . . .

"The work of the bureau in the field of accident statistics has also been greatly improved by the inauguration of a series of annual reports on accident statistics in the various States. . . .

"The monthly reports on volume of employment and on wholesale prices have been greatly expanded and improved. . . .

"Perhaps the most important addition of recent years to the bureau's work has been the enlargement of the annual survey of union wages to include reports from all trade-unions and not merely from a selected group. . . .

"Another significant departure . . . has been the making of the Labor Review into the principal mouthpiece of the bureau for all its research work. . . .

"Of the new lines of research, particular mention should be made of the series of studies of labor productivity in various industries. . . .

"Another recent and very important undertaking of the bureau is that of compiling current statistics on labor turnover. . . ." (1930: 22-25)

Some idea of the broad scope of the Bureau's interests at that time may be supplied in the list of items reported by the Commissioner of Labor Statistics in his 1930 annual report:

Employment and unemployment statistics

Volume of employment

Weekly statistics on volume of employment

Wages and hours of labor

Industrial wage studies

Union scale of wages and hours of labor

Entrance wage rates of common labor

Railroad wage data

Salaries of firemen and policemen

Recent wage changes

The 5-day week

Labor survey of Territory of Hawaii, 1930

Industrial accidents

The iron and steel industry

Safety codes

Industrial health

Labor legislation and decisions of courts affecting labor

Workmen's compensation

Cost of living

International survey of standards of living

Retail prices

Wholesale prices

Industrial disputes

Labor turnover

Building operations in principal cities of the United States

Collective agreements and arbitration awards

Results of arbitration cases

Productivity of labor

Labor productivity in cargo handling

Productivity of labor in sheet-iron and tinplate industry

Cooperative movement

Special studies and reports

Old-age pensions and insurance in foreign countries

Latin-American labor laws

Activities of governmental labor agencies

Personnel research agencies

Handbook of American trade unions

Directory of homes for the aged

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Immigration

Until 1882, when the Oriental Exclusion Act was passed, there had been no Federal regulation of immigration into the United States. And until 1917 no other exclusion laws were enacted except to bar the mentally, morally, and physically unfit. At no time had legislation been enacted with the specific purpose of limiting the number, as distinct from the quality, of admissions.

Consequently the number of immigrants reached flood proportions. Indeed the largest numbers occurred in the beginning of the present century, and probably would have been even greater in the second decade, but for the world war:

"... In pre-war years the volume of our immigration was to a considerable extent affected by prevailing industrial conditions in the United States, but in the years [immediately after World War I] it was very evident that the law of supply and demand in no wise influenced the millions of war-stricken people who were determined to find refuge in the United States regardless of employment conditions here." (1930: 12)

Even before the war, public sentiment to restrict immigration was growing. Then, after the war, as immigration figures rose from 24,600 in 1919 to 246,000 in 1920 and to 652,000 in 1921, "there came a widespread and unmistakable demand that the gates be at least partially closed." (1930: 13)

Congress thereupon enacted the first numerically restrictive immigration law in May 1921. This law did not become fully effective until June 1924, but in its major provisions applied immediately. It set a nationality quota

for European immigration. This did not, however, apply to immigrants from Canada and Mexico; consequently, although there was a substantial decline in numbers directly from Europe, the immigration, particularly of temporary residents, from Canada and Mexico increased substantially.

Commenting on the objectives and effects of the immigration laws, the Secretary argued that the law should be made not only more restrictive but also more selective: "Under existing law," he wrote, "we exclude the obviously unfit, but we do not give preference to the obviously best fitted." (1930: 18) He therefore urged "that no new and unattached immigrants coming for the purpose of seeking employment should be admitted to the country unless it had been previously determined . . . that there was an actual need for the kind of service they are qualified to render in this country. I would apply this rule to all immigration, whether it is subject to quota-limit control, as in the case of natives of European countries, or outside such control, as is the case with natives of New World countries." (1930: 17)

While discussing the problems of immigration, the Secretary pointed to a fact which is frequently overlooked, namely, that the Nation also had a considerable emigration problem. Between 1918 and 1929, for example, nearly half a million American citizens left to reside in some other country. The two movements, however, were related:

"Our liberal immigration laws permitted and low steamship fares made it possible and profitable for alien workers to take advantage of higher wages in this country for two or three years or even shorter periods and then return to their homes and families in Europe. . . . These emigrants were largely migratory workers. . . ." (1929: 59)

Usually single men, these workers competed with permanently resident workers, a large part of whom "had dependent families which must be cared for in seasons of industrial depression as well as in times of activity." (1929: 60) The Secretary used this point as a further argument for selective immigration.

Child Welfare

Because the work of the Children's Bureau was essentially promotional, it is difficult to measure its accomplishments during the 1921-30 decade here under review. Nevertheless a mere listing of the major fields of its activities yields some indication of its influence:

- Maternal and infant health
- Delinquency and dependence
- Child labor
- Recreational facilities
- Cooperation with State agencies
- Legislation relating to children
- International cooperation
- Research, and compilation and dissemination of information

Summarizing the Bureau's contributions over the decade, the Secretary wrote in his concluding report:

"Direct responsibility for [child] care and protection rests first with the parents and then with the States, but for 18 years the Federal Government, through the Children's Bureau, has also been concerned with advancing standards of child care. . . .

"As compared with conditions existing 10 years ago, infants to-day have a much better chance to survive; greatly increased resources for the care of maternity, infancy, and the preschool period are available; marked progress has been made in regard to the mental hygiene of childhood . . . ; education of parents in methods of child care and training has been notably developed; . . . and public child-welfare programs have expanded. . . .

"The Children's Bureau has contributed to many of these developments through scientific studies, correspondence with individual mothers, preparation and distribution of popular educational material, and financial aid and technical leadership made possible by the maternity and infancy act, which was in operation from 1922 until June 30, 1929." (1930: 26)

With justifiable pride the Secretary drew attention to the fact that during his incumbency more than $7\frac{1}{2}$ million copies had been sold or distributed of the Bureau's bulletins on prenatal care, infant care, child care, and child management. (1930: 26)

As regards child labor, the Children's Bureau fought to improve the working conditions of children, to prohibit the employment of children in hazardous occupations or when they should be in school, and to establish a minimum wage for employed minors.

In 1922 the Bureau reported on the work, schooling, family welfare, and living conditions of the children of migrant farm workers; in 1923 on child employment in street trades; and in 1925 on vocational opportunities. In 1927 it reported on the work histories of mentally handicapped minors, and on the use of employment certificates for children between 14 and 16 years of age. In 1929 it reported on minimum wages for minors, and on compensation for work accidents to children.

The Bureau summarized State laws affecting child labor, developed from them general standards for consideration by States seeking to improve their legislation, and coordinated for the use of interested groups whatever information was available to sustain the argument for improved legislation and practices with respect to child labor. It published bulletins, pamphlets, legal summaries, and correspondence for the enlightenment of the public.

Significant among its efforts in this field was the fight for a child labor amendment to the Constitution. The first Federal child labor law, the Keating-Owen Act, was passed in 1916, but was found unconstitutional in 1922. In each case in which child labor legislation was introduced, resistance involved States' rights. Therefore, in 1924, Congress submitted to the States for ratification a proposal empowering Congress "to limit, regulate, and prohibit the labor of persons under 18 years of age." However, only 28

States had ratified the amendment by the time the Fair Labor Standards Act was passed in 1938.²

"Stimulated by the discussion of the proposed amendment, unusual popular interest in the subject of child labor has been manifested," the Secretary wrote in his 1925 report, "as is indicated by a greatly increased demand for the publications of the bureau and an unusually large number of inquiries regarding the extent, conditions, and legal regulation of child labor in the different States and in foreign countries." (1925: 66-67)

Women Workers

In his concluding report of 1930, Secretary Davis commented:

"The progress made by the Women's Bureau, the youngest organization in the department, is a matter of much personal gratification to me. In efficiency, output, and recognized authority it has gone far. Its field is extensive and of great human interest. The importance of women as a labor supply, the rate of wages paid them, the hazards of certain jobs as industrial processes change, the difficulties of the double job of wage earner and mother, these are matters of special concern to the American people." (1930: 27-28)

By 1930 the Bureau staff had increased to only 44, as compared with 30 in 1921. However, this shortage of personnel and the inadequacies of appropriations were offset by zeal and competence.

The program which the Bureau had set for itself in 1922 derived from its work during the war years; namely, to study:

"(a) The effects of special legislation upon the employment of women.

"(b) Wages, hours, and working conditions for women in industry in different sections of the country.

"(c) The effect on women in industry of certain conditions such as the piecework system, posture at work, the lifting of weights, and industrial poisons.

"(d) Critical compilation of existing statistical material relating to women in industry.

"(e) Codification of laws regulating conditions for women in industry." (1922: 115-116)

The Bureau therefore continued with its State studies, as in the past, but with significant variations, determined by the nature of certain urgent problems:

". . . One of the most conspicuous of these problems which are arousing much interest and concern at the present time is the effect of minimum-wage legislation on the earnings and opportunities of women and on the financial condition of the industries to which such legislation applies. The relation between hours and output, the effect of short or long hours on absenteeism

² In her 1939 report the then Director, Katherine F. Lenroot, wrote: "Favorable action by only 8 more states is needed in order to obtain the 36 ratifications required for the adoption of the amendment as part of the Constitution." (1939: 159)

and accidents, are also subjects of no small moment in the present day of increasing legislation regulating hours, and of keener industrial competition...." (1922: 61)

Early in 1923 a Women's Industrial Conference met in Washington to "place before the women of the country an outline of the extensive and steadily increasing problems attending the employment of women in industry, and to indicate some of the methods and standards which are being adopted in order to meet these problems." (1923: 78)

With that end in view, representatives were invited from all women's organizations which were national in scope, and from all other national organizations interested in the subject of industry which included women in their membership.

The conference discussed the relations between women and industrial work, health standards, wages, labor legislation, and the need for law enforcement. Well attended and well publicized, the meeting served to bring about a common interest and awareness of unity of purpose among the various interested groups.

Further support for the Bureau's program came from State departments of labor, which supplied special information on various aspects of wage-earning women, and which recognized the Bureau as the national clearing-house on activities affecting women in industry. In cooperation with State officials, the Bureau prepared and published "digests of special and State reports on hours, wages, working conditions, industrial accidents, and law violations as related to women." (1924: 133)

A list of special studies conducted by the Women's Bureau, as reported in 1925, indicates the scope of its interests at that time:

- Women in the fruit-growing and canning industries in the State of Washington
- Facts about working women
- Absenteeism in cotton mills
- Minimum wage laws
- Women workers and family support
- Trend of employment
- Effect of special legislation on the employment of women
- Effects of applied research upon the employment opportunities of American women
- Foreign-born women in industry
- Nightwork
- Women in Government service
- Research and educational work

In addition, other studies were contemplated:

- Home and community facilities and family obligations of employed women
- Elimination of unnecessary fatigue
- Industrial poisons

State minimum wage legislation persisted as the problem of major concern. In 1927 a report summarizing the Bureau's findings in this connection was published. It was primarily a report of "the ways in which the various States have worked out the machinery for carrying on this new type of law rather than a report on the results of the law. . . .

"In the discussion of the law's administration, the most apparent point is that every act connected with these laws has been in the nature of an experiment. One State will handle a given problem in one way; another State will try a method exactly opposed to the first. Within a State, a situation will be met in one way at one time and in another way at a later date. Moreover, the commissions have had to learn slowly, through actual experience, just what must be done to carry out the law. . . .

"Among the interesting points brought out by the report is the fact that the activities of the bodies administering the laws seem to show that a minimum wage law generally is most carefully and thoroughly applied by a commission organized especially to take care of this law, and particularly when such a commission has a woman member. . . ." (1927: 128)

In 1928 the Bureau published its recommended standards for the employment of women:³

Hours:

- A day not longer than 8 hours.
- A half holiday on Saturday.
- One day's rest in seven.
- At least 30 minutes allowed for a meal.
- A 10-minute rest period in the middle of each half day without lengthening the day.
- No employment of women between midnight and 6 a.m.

Wages:

- Rates based on occupation and not on sex or race, the minimum to cover cost of healthful and decent living and to allow for dependents.

Working conditions:

- Cleanliness.
- Good lighting, ventilation, and heating.
- Machine guards, handrails, safe conditions of floors, devices for drawing off dust and fumes.
- Fire protection.
- First-aid equipment.
- A chair for each woman. Change of posture—neither constant standing nor constant sitting.

³ These standards were originally developed during 1918. They were, however, "submitted before adoption . . . to State departments of labor, representative employers, and leaders of working women. . . . Almost all [of the recommendations] originated with forward-looking employers, and . . . had been thoroughly tried, some of them even to inclusion in State labor laws, before their adoption by the bureau." (1931: 12)

Prevention of overstrain and of overexposure to dust, fumes, poisons, extremes of temperature.

Sanitary drinking and washing facilities.

Dressing rooms, rest rooms, lunch rooms.

Adequate toilet arrangements—1 toilet to each 15 workers.

General:

A personnel department, responsible for the selection, assignment, and transfer or discharge of employees.

Women in supervisory positions and as employment executives where women are employed.

Provision for workers to share in control of conditions of employment.

Opportunities for workers to choose occupations for which best adapted.

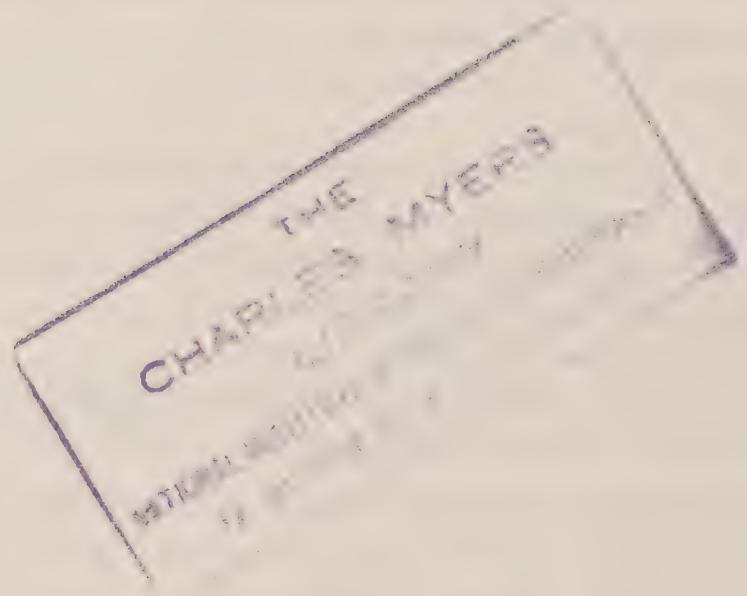
No prohibition of women's employment except in occupations proved to be more injurious to women than to men.

No work to be given out to be done at home.

Application to and cooperation with Federal and State agencies dealing with labor and conditions of employment. (1928: 111)

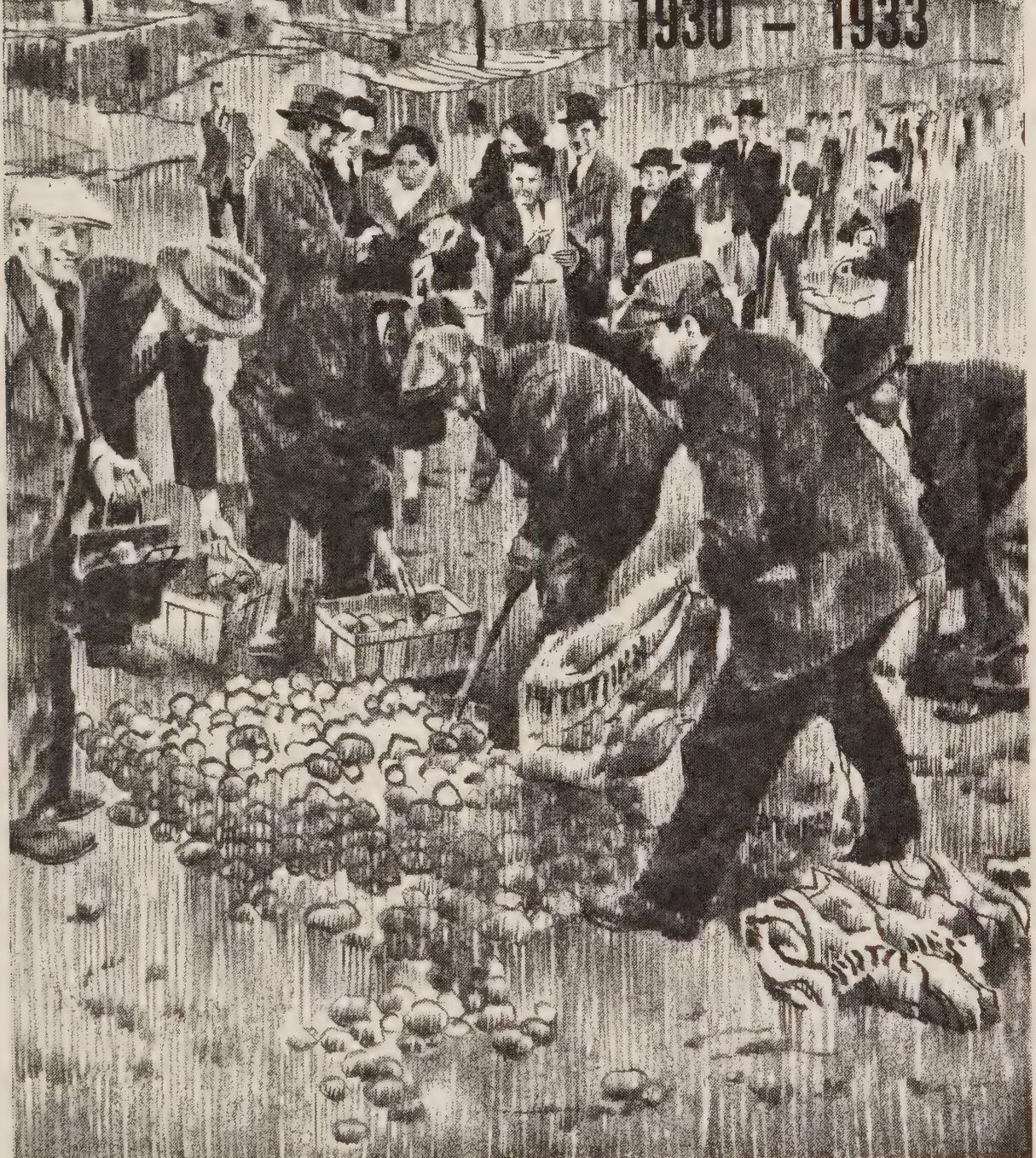
At the end of the decade the Bureau was concerned with the need for studies on, for example, the "controversial question" of the employment of married women and of the woman over 30 or 35 who is unable to secure industrial employment on account of her age—part of the broad subject of the effect on the wage earners of changed methods in industry and the extent of unemployment directly traceable to such changes. It also felt the need—but lacked the facilities—for studies on piecework, posture, fatigue, and a number of other important matters that awaited its investigation. (1930: 29)

On November 30, 1930, Secretary of Labor Davis resigned his long-held post in the Cabinet, but his retirement from service to the Nation was short-lived. In 1933 he was elected to the U.S. Senate from Pennsylvania, and there he served until 1945.



THE GREAT DEPRESSION

1930 — 1933



THE GREAT DEPRESSION 1930-33

"Booms and panics were once regarded as an order of nature," Secretary Davis had stated in 1927. "We do not now believe this to be true; we believe it is within our own hands to wipe out depression and make prosperity permanent." (1927: 137) This expression of belief accorded with that of most thinkers of Davis' day. However, a little more than a year after he wrote these words, the most damaging economic depression in its history descended upon the United States.

The burden of facing this challenge in its initial bewildering manifestations fell to the Administration of President Herbert Hoover and the third Secretary of Labor, William N. Doak, formerly acting president and national legislative representative of the Brotherhood of Railroad Trainmen.

The history of Doak's secretaryship is brief, but his reports reflect the essence of the tremendous problem facing the Nation:

"... the efforts of the department, in the face of economic trials, have been directed, primarily, to preserving the opportunities for work that remain to our citizens . . . and to extend these opportunities whenever and wherever it was possible to do so. . . .

"Wage earners and their families are the chief buying power of the land. It follows necessarily that with the great numbers now unemployed, the purchasing power of our people has been drastically curtailed, thus checking the flow of the streams into the channels of trade, reducing the products of manufacturers and the consumption of the products of the farm.

"Rents have decreased, values of properties have been affected, and dividends and interest rates have been lowered appreciably. The wage earner, however, has been and is suffering more than others because depression's weight falls first upon him.

"The finding of means to better this condition is taxing the minds of all our people, and the energies of our Nation. . . .

"The Federal Government is expanding judiciously its powers in a way that it never before has done in times of peace. . . . It has been alert . . . to create employment by a broad program of construction of public buildings, and . . . it has provided work that otherwise could not be attempted in these times.

"The purpose behind all of these efforts and assistance is so to advance the interests of the people that employment can be stimulated and made secure. . . ." (1932:1-3)

The specter of poverty and unemployment hung over the country, and the fear it aroused retarded the return of better times and conditions.

"These recurrent periods of unemployment seem to me to be an indictment of our civilization," Secretary Doak told Congress. "A new industrial concept appears to be demanded, one which will make such times as we have been passing through impossible or exceedingly rare in the future. The wage earner should be safeguarded, and whether this will be brought about by a reduced work week with a consequent spread of employment, accompanied by some universal system of unemployment compensation insurance, or otherwise, is an immediate problem, but there is every reason to believe that the solving and removal of these recurring cycles of unemployment will not be impossible to an enlightened and aroused Nation, one which possesses all the elements and requisites for the proper support and general well-being of its people." (1932: 1-3)

"Aside from the abnormal amount of unemployment occasioned by the financial and economic depression . . . is the ability of many of our major industries to produce . . . more goods and products than the purchasing power of the country can absorb . . . This situation will remain, even when normal conditions return, unless and until we are able to devise a solution or adjustment of the attendant problems; such as the absorption of the surplus of commodities or a decrease in production [with] reduced hours or days of work . . . [A] high standard of wages is necessary for a resumption of commodity purchases on a large scale . . ." (1932: 20)

Commenting on the effects of the depression on the work of his department, the Secretary told legislators:

"To no other branch of the Government are the unfortunate conditions of unemployment so fully and intimately known, and it is this department which keeps its hand on the pulse of developments in matters particularly affecting the labor of men, women, and children of the country. . ." (1932: 19-20)

Employment Service

One would expect, in view of earlier war emergency experience, that the most significant departmental function during the depression would have been that of the Employment Service. However, measures taken during the first few years of the depression were piecemeal and hesitant. The full impact of the problem was greater and more acute than even the most perspicacious had at first imagined.

Additional funds were appropriated by Congress in 1931 and succeeding years, and the Service was reorganized. In each State a director was appointed, to "represent the Federal Employment Service in matters pertaining to cooperation with the State and municipal employment offices [and to] keep in touch with . . . employers and employees, with civic organizations, and with all other individuals and groups that can assist in performing [their] duties."

(1931: 37) Supplementary appropriations permitted the establishment of new offices in various sections of the country.

By the end of June 1932, the Service consisted of 101 general placement offices, 30 specialized veterans' placement offices, and 22 farm labor placement offices. Total placements for the year exceeded 2 million. Nevertheless, industrial and agricultural employment trends "showed little fluctuation and remained generally far below what [was] recognized as normal." (1932: 43)

It was not until the enactment of the Wagner-Peyser Act, in June 1933, that the Service began to function at a level commensurate with the scope of the unemployment problem. This act provided for the establishment of a cooperative Federal-State employment system, based on the allocation of grants in aid to cooperating States.

Labor Statistics

Before passage of the Wagner-Peyser Act, the most significant contribution to an understanding of the unemployment situation was made by the fact-collecting agencies. As the Commissioner of Labor Statistics stated in his report for 1931:

"During the past several months interest in labor statistics probably has been more intense than ever before in the history of the country. This interest has been directed primarily to matters of employment and unemployment, but by no means exclusively so, as discussions of employment problems inevitably lead to questions of wages, hours of labor, cost of living, productivity of labor, the older worker in industry, labor turnover, and similar topics." (1931: 76)

The Commissioner deplored the popular misuse of cost-of-living data based on conditions in 1918. He pointed out that according to the Wholesale Price Index the dollar was worth \$1.43—a figure used to show that the cost of living of workers had been reduced in proportion to wages. In terms of retail prices, however, it was worth only \$1.16. In other words, the facts were being misrepresented. He therefore pleaded that conditions "should be studied by men whose mental training has been industrial rather than commercial and diplomatic." (1931: 99)

He also pleaded for the appointment of attachés to be located abroad, who would be trained investigators in labor matters, "thoroughly equipped and acquainted with the labor men and labor methods, labor policies, and labor ideals and practices [in those countries] to be able to make a thoroughly competent and trustworthy report" of use as much to the Department of State as to the Department of Labor. (1931: 99)

A problem of special interest to which the Bureau turned its attention was that of so-called "technological" unemployment:

"The rapid development, especially during the past few years, in machinery and in the technique of management has resulted in enormous increase in the average output per employee in practically all lines of industry, fewer

workers being needed to produce the same output as formerly. Because of this, and entirely aside from the matter of the present depression, there would necessarily result a serious displacement of labor, unless increasing demand for the commodities affected or the development of new industries should be sufficient to absorb the labor power displaced by the increasing use of labor-saving devices and methods. It is even possible that the present depression has stimulated still further the use of such machinery and methods. In any case, the problem raised is clearly one of very great importance" (1932: 57)

To meet a Senate inquiry, a special study of "all the known plans for the payment of unemployment benefits or for guaranteed employment in this country and of unemployment-insurance systems in foreign countries" (1932 : 59) was also initiated. Another special study was made of the 5-day week in American industry, in which it was found "that a considerable number of those plants which are now working temporarily five days or less per week will, when the depression has passed, readjust their working schedules on a permanent 5-day week basis." (1932 : 63) The Bureau conducted its third survey of old-age pension laws. (1932: 69)

A major project described in the 1932 report was the proposed dictionary of occupations:

"In connection with its surveys of wages and hours of labor in the principal American industries, the bureau has compiled periodically a glossary of occupations and occupation terms found in these industries, together with a detailed description of the duties performed. This is essential, as, to be of greatest usefulness, wage data must be reported by occupation. The bureau is now engaged in bringing together, supplementing, and revising these various industry glossaries, with the intention of publishing in a single volume a general glossary or dictionary of occupations covering at least the major industries of the United States." (1932 : 69)

The Bureau's monthly survey of employment was considerably expanded. Using as a jumping-off point a questionnaire on unemployment included in the Federal census for the first time in 1930, the Bureau projected a series of monthly employment estimates based upon as large a sampling as possible of all major industries. At the end of 1930 the survey covered some 40,000 establishments. By the end of 1933 it covered 70,000.

Conciliation

In 1931 the Congress enacted the Davis-Bacon prevailing-rate law, the administration of which was placed by the Secretary with the Conciliation Service. This law provided that "the rate of wages for laborers and mechanics employed on public buildings of the United States . . . shall be not less than the prevailing rate of wages for work of a similar nature [in the area] in which the buildings are located." (1931 : 7) The principle upon which the law was based was that "in order to be potential buyers it is necessary that our workers receive wages sufficiently high to permit not only

the purchasing of the necessities of life, but, as well, many of the luxuries created by our amazing productive genius." (1931 : 7)

Immigration

Subsequent to enactment of the numerical restrictive immigration law of 1924, which caused a considerable drop in immigration statistics, the Bureau of Immigration concentrated more thoroughly on its program for the deportation of persons "whose expressed purpose is to bring about the overthrow of our institutions by violence."

"Of course," the report continued, "our lack of diplomatic relations with the country to which most of these alien enemies, using the term literally, belong, continues to reduce the number of this class who might be removed. There should be no room in this country for outsiders who abuse our hospitality by advocating the change of our Government by violent means. . . . The aliens, ignorant or otherwise, who participate in the work of these branches of a foreign and inimical organization, have forfeited any right to the probationary residence in this Nation which law-abiding aliens enjoy." (1932: 7-8)

Child Welfare

Fiscal year 1931 was a particularly busy one for the Children's Bureau, which organized the White House Conference on Child Health and Protection opening November 1930, and which also participated in the Sixth Pan-American Child Congress at Lima, Peru, in July of the same year.

"The Children's Charter, which embodies the findings of the White House Conference . . . gives as one of the rights of every child 'the right to grow up in a family with an adequate standard of living and the security of a stable income as the surest safeguard against social handicaps.' Evidence that this 'right' is fundamental to the welfare of children has accumulated. . . .

"At the time of the industrial depression of 1921 and 1922 the Children's Bureau undertook a careful study of the effect of unemployment upon local problems of child welfare. The findings of this report indicated that children suffer not temporary but permanent losses as a result of a period of industrial depression. Evidences of the suffering of children during the present depression have come from many sections of the country where local relief has been inadequate or poorly organized. In order to have a more accurate picture of conditions, the Children's Bureau, in response to urgent requests from the President's Emergency Committee for Employment, undertook to assemble monthly statistics of relief to families and to homeless and transient persons in cities of 50,000 population and over, and to make brief studies in certain especially depressed areas outside the large urban centers." (1931: 103)

As the Secretary commented in his 1932 report:

"The past year or so have not been so encouraging because of prevailing conditions among our people, which undoubtedly have brought about special health hazards to the children through widespread undernourishment. This

unfortunate and unpreventable condition has been an especial concern of the bureau and department, and the demands on the bureau for information, for local surveys, and for advice have overshadowed and subordinated other activities. Every effort must be made adequately to protect the children in this emergency for our own best interests." (1932: 15)

The steady economic decline of the country during the early thirties was not encouraging. In October 1929 President Hoover had declared: "The fundamental business of the country . . . is on a sound and prosperous basis." In January 1930 he said there were "definite signs" that the Nation had "turned the corner." In March he predicted that the high point of unemployment would be passed in 60 days. In May he announced: "We have now passed the worst and with continued unity of effort we shall rapidly recover." His words were brave but futile.

At the end of 1930 there were 3 million unemployed. By 1933 there were 15 million. Five thousand banks closed their doors. Private construction came to an end.

The problem of relief, rather than employment, assumed major proportions. According to the Labor Department's report for fiscal year 1932:

" . . . As the census has not collected subsequent figures, the Children's Bureau is now the only Federal agency compiling reports relating to unemployment relief. In January, 1932, with the approval of the bureau's advisory committee on social statistics, an agreement was reached [by] which the Children's Bureau assumed responsibility." (1932: 90)

The Children's Bureau studied State aid for unemployment relief, unemployment relief in areas of extreme depression, the problems of transient boys who were leaving their homes in order to fend for themselves, and the effects of the depression on child labor. As regards this last, the Chief of the Children's Bureau, Grace Abbott, commented as follows:

" . . . That too many children enter gainful employment at a time when millions of fathers and older brothers and sisters are vainly seeking work is a tragic paradox. Some cities, largely through the efforts of vocational guidance and placement bureaus, have achieved notable success in conserving school opportunities for children and keeping them from competing with adults for the limited number of jobs available. The social cost involved in children leaving school at an early age to take jobs that should go to adults or to suffer the demoralization of unemployment far exceeds the cost of more adequate training facilities that will hold young people in school and in their home communities. Economic conditions point directly to the necessity of increasing the length of the school term and of adding to the number of hours a day the school plant is in use." (1932: 93)

And in her 1933 report she wrote at greater length:

"With the fourth year of the depression it became more and more evident that the employment of children should be broadly considered in relation to the employment crisis. The Children's Bureau therefore . . . called an emergency conference to review the whole question of child labor. . . .

"Evidence of the effects of the industrial depression upon child employment as reflected in the return of the sweatshop, in low wages and long hours, and in the shifts in the types of jobs available for children was presented. . . . To meet these conditions, the conference recommended that an effort be made to secure the passage of State laws embodying the following standards: (1) A basic minimum age of 16 years for employment, at least during school hours, with a higher minimum age for work in hazardous occupations; (2) shorter work hours for minors of 16 and 17 years than for adults, and work hours not to exceed 8 per day in any event; (3) minimum wage for workers under 18 years of age; and (4) extra compensation for minors injured while illegally employed. . . ." (1933: 67)

Nevertheless, the immediate problem showed no signs of improvement:

"Reports from many States leave no doubt that in the hysteria of economy there has been a reckless disregard of obligations that the community has assumed toward children. State governments, much pressed for funds, have made very drastic cuts in the appropriations of many State services; sometimes the reductions for welfare and health services for children have been disproportionately large." (1933: 75)

Women Workers

The Women's Bureau also found itself preoccupied with the effects of the depression:

". . . The wage-earning woman is peculiarly unfavorably affected in times like these. Always at a disadvantage in comparison with male workers because of the double standard of compensation, her condition in the past year has been one of trial and great uncertainty. The plight of the woman worker is not so spectacularly presented or obvious as is that of the opposite sex in these distressing times. They do not gather in bread lines and infrequently participate in unemployment demonstrations; but their distress is equally acute although not so apparent on the surface. . . .

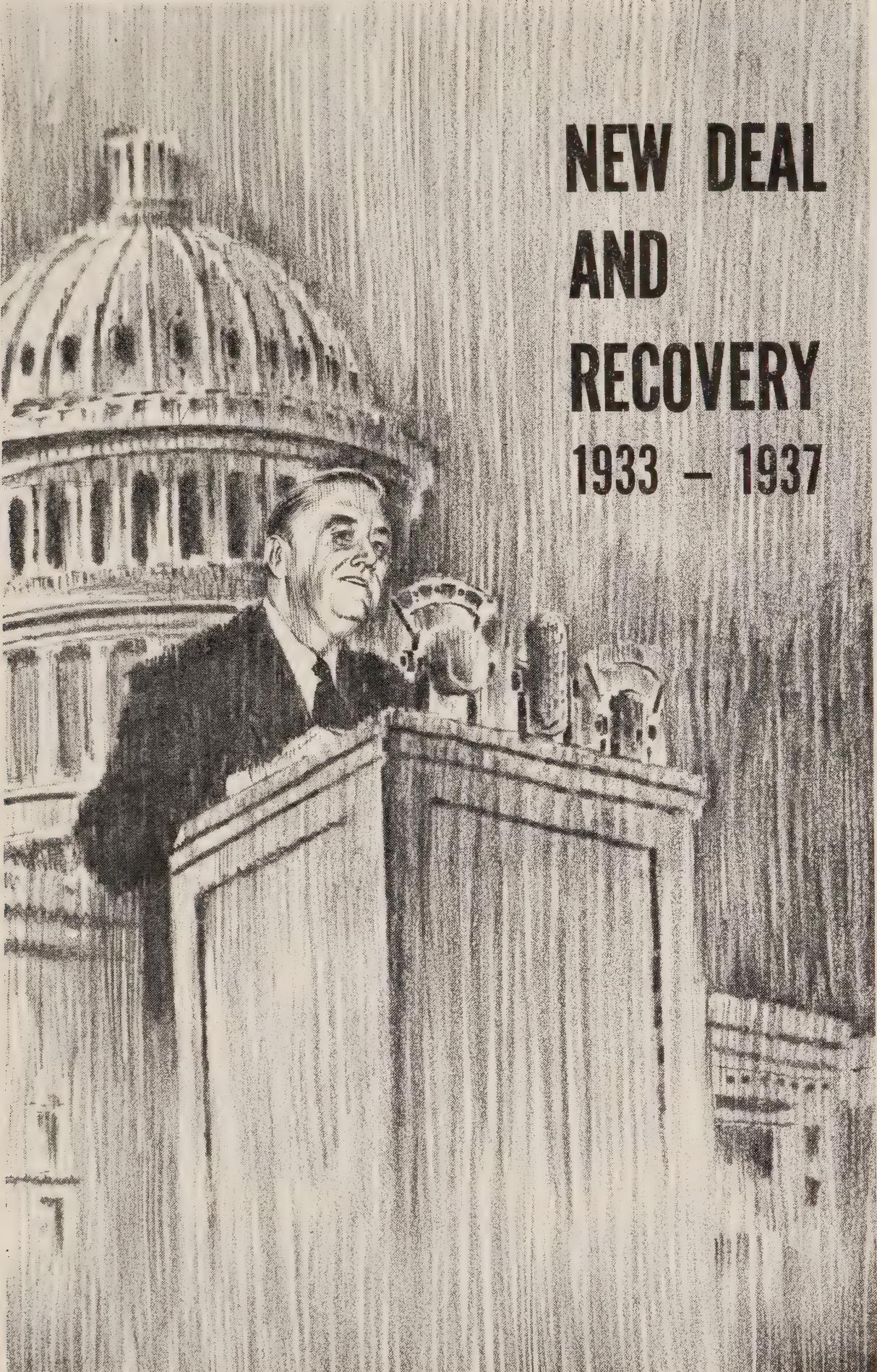
"The situation regarding the married woman in employment is particularly a matter of grave concern and interest. Her employment is especially prejudiced in these times because of a prevalent belief that she is unnecessarily supplanting the single woman in positions, or even the men. In many instances, however, her contribution to the support of the family and holding it together is essential. It would be an ideal condition if our economic system or condition were such that the employment of married women outside the home would not be the matter of actual necessity that it now is, speaking generally. The discharges of women just because they are married is regrettable and unscientific, and such discharges should follow only careful investigation, in justice to the married women who are compelled to work. In these times it is not uncommon to find a husband jobless and the wife supporting the family. . . . [There] always has been a sharing of the economic responsibility of the family by the men and women

within its circle. If the head of the family is unable to bear the load, it is necessary for the wife to contribute by outside employment." (1932: 16-17)

"Men out of work organize and dramatize their misfortunes more strikingly than do women. Crowded flop houses, bread lines, unemployment demonstrations—these draw direct attention to urgent needs. It is not so with women. Scattered stories of jobless women whose children are under-fed and insufficiently clothed, whose homes are without fuel in winter, reach public ears. But this sort of poverty has always existed to a greater or less degree. These things have not the power to stir the mass imagination as does the plight of unemployed men.

"The problems of women wage earners that have arisen out of the present economic crisis must be studied in conjunction with those of men wage earners and industrial and financial conditions. The double wage standard, the compulsion of women to accept jobs with a pay scale below that of men doing similar work, has proved particularly serious in the past two years, with considerable cuts in women's pay tending to drag men's wages to lower levels than before. We have seen the workers' wages—that important keystone in the arch of prosperity—dealt a serious blow, and we have witnessed an inevitable toppling of our whole economic structure.

"As we look for underlying causes of the crisis, it is apparent that there has been in the past more interest in machines than in men and women. Progress in human relations in industry has lagged considerably behind technical progress. There is a growing realization of the need to develop a more social procedure for combining increased production with the greatest welfare of the human element." (1932: 119)



**NEW DEAL
AND
RECOVERY
1933 – 1937**

NEW DEAL AND RECOVERY 1933-37

In the 4 months between Franklin D. Roosevelt's election to the highest office in the land and his inauguration, March 4, 1933, the United States experienced continued economic decline. On February 14 the Governor of Michigan proclaimed a "banking holiday," and other States followed suit.

On Inauguration Day every bank in the country was shut against its depositors, and workers waited in bread lines and soup kitchens for relief.

Shortly after one o'clock that afternoon, the voice of the new President was heard from the steps of the Capitol in Washington. His words stirred the people of the country.

"I am certain," he said, "that my fellow Americans expect that on my induction into the Presidency I will address them with a candor and a decision which the present situation of our nation impels. . . . Nor need we shrink from honestly facing conditions in our country today. This great nation will endure as it has endured, will revive and will prosper. So, first of all, let me assert my firm belief that the only thing we have to fear is fear itself—nameless, unreasoning, unjustified terror which paralyzes needed efforts to convert retreat into advance. . . ."

Later in his address he emphasized, "Our greatest primary task is to put people to work. This is no unsolvable problem if we face it wisely and courageously. It can be accomplished in part by direct recruiting by the Government itself, treating the task as we would treat the emergency of a war. . . ."

In its famous "first hundred days" President Roosevelt's "New Deal" began struggling with the primary task of putting people back to work. In a bold, unprecedented action, the President named the first woman Cabinet member, Frances Perkins, as Secretary of Labor.

Frances Perkins was a former industrial commissioner for the State of New York and well prepared by education and experience for the tremendous task before her.

She had the full support of the President. And she served as one of the chief focal points in the Administration for the ideas and constructive proposals of numerous outstanding thinkers throughout the world, and particularly in the United States, seeking to bring about social reforms affecting the welfare of working men, women, and children.

Examined critically, it is evident that the Secretary's thinking was not initially concerned with the Department of Labor, its functions and adminis-

tration. Her interests covered a far larger realm of discourse. She thought of the role of government as a whole as the avenue through which people might bring about the changes they desired. Consequently she was as much concerned with legislative enactment as with legal interpretation, as much with the development of governmental agencies outside of the Department of Labor as with strengthening the Department itself, as much with what the individual States might be able to contribute as with what the Federal Government should do.

Her approach to problems, certainly during the earlier years of her secretaryship, was functional rather than administrative: social security, Federal-State cooperation, the resolution of conflict through the give and take of conference, the stabilization of employment. Only as these broader concepts were successfully driven home and given administrative form and authority was she willing to discuss them in terms of the organizations established to put them into practice.

It is therefore imperative, for a proper understanding of her contribution to the Department of Labor, that her ideas at this higher and broader level of thinking should be described in considerable detail, in addition to those that relate more particularly to the operations of the Department.

America's Labor Policy

"As a Nation we are recognizing that programs long thought of as merely labor welfare, such as shorter hours, higher wages, and a voice in the terms and conditions of work, are really essential economic factors for recovery and for the technique of industrial management in a mass-production age. The test of adjusting our industrial life to the pattern of democracy and the needs of a new mechanical period mark both a gain in the standards of life and work for wage earners and also a new responsibility for constructive leadership on the part of labor." (1933: 1-2)

"The idea is now generally held that employers have a certain public social responsibility in the conduct of their industries. Wage earners should be a factor in formulating these policies of public responsibility and they should be invited and permitted to make a constructive contribution in solving the economic problems that confront us on the industrial side of our national life." (1933: 1)

"In a successful democracy there must be a certain minimum unity of purpose and some contribution from the citizens as a whole to the idea and practice of the general welfare. Where the lives of millions of persons are involved . . . there must necessarily be a multitude of complications, sharp difference of opinion, friction at many points. Always, however, there remains the permanent idea that through accommodation, through understanding of the human problems involved, a sane and sensible adjustment can be created. These are the conceptions which have guided the Department of Labor. . . . It has sought to solve the multitude of problems that have arisen along revolutionary lines. . . . Opportunity, a chance to de-

velop, a chance to grow, a chance to bring up a family under better conditions—these are the desires of the millions of workers in our country. Beyond that they seek security, some assurance that they will have a minimum economic protection when they cease to be producers. . . .

“In concrete form these desires are expressed as: (1) Shorter hours; (2) adequate annual income; (3) safe and healthful working and living conditions; (4) social security; (5) recognition of wage earners as an integral and significant part of the common life with an opportunity to contribute to and play a part in furthering the social and economic welfare.” (1937: 1-2)

“Is there an American labor policy?

“This question is often asked. The answer to it has to be a qualified one, qualified because labor is not a commodity but a loose generic term for a group of human beings with natural human emotions and reactions who are self-directing members of a great democracy. Discussions as to whether or not the Government’s labor policy requires the formation of vertical or horizontal unions, or whether the Government will force collective bargaining or merely permit it, are, on the whole, academic. Labor policy in a democracy is not a program conceived by a Government. It is a program of action which the people who earn their living as wage earners and those who employ them in a profit-making enterprise must work out together in a society which develops naturally out of the work that they do and the life that they lead. The function of Government is to serve as a stimulating agent to facilitate the formation of such a policy, which will be just and fair to all the people and in the line of human progress.

“Hand in hand with the growth of our institutions a labor policy is developing. It is in somewhat more than a rudimentary stage. It is, like all social institutions, a growing living thing, subject to such change and revision as the economic and political consciousness of the wage-earning and employing groups, the experiences of life, or a growing sense of justness make possible.

“Among the first items that one sees in this growing labor policy of the American Government are the following:

“1. That the Government ought to do everything in its power to establish minimum basic standards below which competition should not be permitted to force standards of health, wages, or hours;

“2. That the Government ought to make such arrangements and use its influence to bring about arrangements which will make possible peaceful settlements of controversies and relieve labor of the necessity of resorting to strikes in order to secure equitable conditions and the right to be heard;

“3. That the ideal of government should be through legislation and through cooperation between employers and workers to make every job the best that the human mind can devise as to physical conditions, human relations, and wages;

“4. That government should encourage such organization and development of wage earners as will give status and stability to labor as a recognized

important group of citizens having a contribution to make to economic and political thought and to the cultural life of the community;

"5. That government ought to arrange that labor play its part in the study and development of any economic policies for the future of the United States; and,

"6. That the Government should encourage mutuality between labor and employers in the improvement of production and in the development in both groups of a philosophy of self-government in the public interest. If labor's rights are defined by law and by government, then certain obligations will, of course, be expected of wage earners, and it is for the public interest that those obligations should be defined by labor itself and that such discipline as is necessary should be self-imposed and not imposed from without. This is the basis of all professional codes of ethics in modern society."

(1934: 11-12)

"The specific objectives on behalf of workers into which the purpose of the Department has been translated . . . concern themselves with the following:

"I. Employment:

- a. Steady work in private enterprise.
- b. Emergency work on public-works projects.
- c. Adequate facilities for securing jobs
- d. Adequate facilities for training

"II. Conditions of employment:

- a. Reasonably short hours of labor.
- b. Adequate annual income from wages.
- c. Safe and healthful physical conditions of work.
- d. Practical industrial relations based on:
 - (i) Collective bargaining.
 - (ii) Conciliation, mediation, and arbitration through Government agencies.
- e. Elimination of child labor.

"III. Social security:

- a. Adequate provision as a matter of right when incapacitated to earn [as a result of] accident, industrial disease, unemployment, or old age.

"IV. Social and living conditions:

- a. Practical low-cost housing designed and built with wage-earner co-operation.
- b. Adult education planned and conducted with wage-earner cooperation.
- c. Relief and ordinary rehabilitation of the victim of the unemployment crisis with wage-earner cooperation.
- d. Community life (civic, social, cultural) designed to include wage-earner participation.
- e. Assimilation of the foreign-born workers by the administration of the naturalization acts for this purpose."

(1936: 2-3)

Employment

The problem of unemployment continued, of course, as the major issue of national policy. Federal organizations of increasing amplitude succeeded one another, all aimed at providing work for the jobless on public works projects—FERA, CWA, PWA, WPA, NYA, CCC, TVA, and others. These were not under the administrative control of the Department of Labor, but the Department worked with them in cooperation. Chief agency in the Department, in this connection, was the Employment Service, revitalized by the Wagner-Peyser Act of June 1933.

Under that act the Department of Labor was charged with "the responsibility of promoting the establishment and maintenance of a national system of employment offices for men, women, and juniors who are legally qualified to engage in gainful occupations. The act further stipulates that the United States Employment Service shall assist in establishing and maintaining systems of public employment offices in the several States. In addition, the act requires the maintenance of 'a veterans' service to be devoted to securing employment for veterans,' a farm placement service, and a public employment service for the District of Columbia." (1938: 16)

Commenting on the probable effect of the act, the Secretary wrote:

"Use by wage earners and employers of the facilities of the United States Employment Service developed in cooperation with the States should aid both groups and the country as a whole. It has been placed on a sound basis by the Wagner-Peyser Act of the Congress and is being developed under an advisory board of outstanding leaders of employment, workers, and the general public, and is designed to organize the labor market of the entire country so that wage earners may find opportunities for work, when it exists, in the easiest, most effective way. A well-coordinated system of public employment offices is a necessary part in the return of workers to their jobs. The cooperation of employers of labor, of agencies of public information, of organized and unorganized labor, and of social service agencies in building up and using this system will aid in recovery. All offices will have like standards and objectives. The supply of labor can flow through them and the demands of employers can be circulated. Thus, machinery will be at hand and in operation to transfer workers promptly from depressed areas to those which can best absorb them." (1933: 2)

To strengthen those areas where State services were inadequate, a special division, the National Reemployment Service, was established under the Wagner-Peyser Act.

". . . In no instance was a reemployment service permitted to occupy the same territory as a State office. [It] was operated separately as a distinct and supplementary unit in areas not covered by the State employment offices. . . ." (1934: 21)

As the Secretary remarked:

". . . A large organization has been put in operation in an unbelievably short time by the United States Employment Service and its correlated Na-

tional Reemployment Service. These services were built up hastily but soundly to meet the emergency and to insure the orderly transfer of people to the jobs which were available on Public Works, on Civil Works, in the Civilian Conservation Corps camps, as well as in private employment. This has been an enormous task, one which was full of the hazard of failure, and which has been performed with hardly a complaint as to the technique or the fairness of the placement work. In other words, we have been able to move hundreds of thousands of people into jobs, following the rules laid down by the law." (1934: 10)

To promote public employment services and to provide guidance to the Department on employment problems, a Federal Advisory Council was appointed by the Secretary of Labor. (1934: 26) Corresponding councils were established by States cooperating with the Federal Government under the Wagner-Peyser Act.

An occupational research program was set up in the USES "to provide employment offices with accurate job specifications and improved classifications of occupations as a better means of selecting individuals for referral." (1935: 6) From this study, dictionaries of occupational titles in various industries were prepared and published.

A major statistical problem was that of determining how many persons were actually unemployed, and how many were being placed in jobs:

"Unemployment remains a major national concern despite the unceasing efforts of the Government and the expanding activity of business recovery. The needy have been cared for, however, and that by creating emergency activity rather than through direct relief. The United States Employment Service has been the chief medium through which the unemployed have been placed upon work-relief and public-works jobs. This has been an exercise in a fundamental service which has been invaluable to the Service and leaves it much more rationally equipped to perform its future function.

"The precise extent of unemployment at the close of the fiscal year is not completely known. There are, of course, the estimates of private agencies which appear from time to time. The Employment Service is operating on a national scale, but its records do not go beyond those who apply at the employment offices affiliated with the Service. . . ." (1935: 16)

Improvement in statistical reporting resulted from an Executive order of June 1935 which provided that "all persons employed on projects financed in whole or in part under the Emergency Relief Appropriation Act of 1935, unless otherwise exempted, shall be certified by employment agencies designated by the United States Employment Service, and that at least 90 percent of the persons so employed shall be taken from the public relief rolls." (1935: 40)

In 1936 employment statistics showed substantial signs of improvement, and in 1937 still greater improvement. By that time 42 States were affiliated with the USES under the Wagner-Peyser plan, and a nationwide system, involving 591 district offices and 811 local employment offices, was in opera-

tion. (1937: 18) The Federal-State system was operating on a gross annual appropriation of over \$18 million.

Farm Labor

A significant note on agricultural labor was included in the Secretary's report for 1934:

"The Department of Labor has received many complaints and reports on unfortunate and unfavorable conditions among agricultural workers, and among wage earners doing work closely allied to agriculture, such as the sorting and picking of fruits and vegetables. A number of studies of the agricultural-labor situation have been made by the Department in cooperation with the Department of Agriculture, notably the study of labor in the beet-sugar fields, with special attention to the labor of children and young people. This study was made as a basis for the National Recovery Administration code in the sugar-beet industry. Out of these studies and out of the activities resulting from the need to settle a number of strikes in the agricultural field, it seemed wise to recommend to the Department of Agriculture that it should join in a continuing study of the conditions of agricultural labor in an effort to bring about improved conditions. The Secretary of Agriculture has accepted this suggestion and has attached to his staff a small group cooperating with the Department of Labor in the study of agricultural-labor problems, with a view eventually to setting up proper and practical standards in this most difficult field." (1934: 6)

Unemployment Insurance

In her report for 1933, the Secretary wrote:

"Some form of unemployment reserves should be set up in the different States so that in the future it may take the place of the bread line or other charities as a systematic, honorable method of tiding over a slump period for those who want work and lack it. No one has yet found a cure for unemployment, although we are experimenting in that direction under the National Recovery Act. In urging unemployment reserves I realize that its adoption would not mean the throwing up of economic bulwarks for all wage earners. Properly safeguarded, it will, however, constitute a certain definite measure of security for many workers and their families. This is a social as well as an industrial problem and the cost should be spread as widely as possible. The fund should be collected from fair but not excessive premiums and should be safeguarded so that it will be adequate for the heavy drains of a possible widespread period of unemployment. There should be a definite and fairly long waiting period. The number of weeks of benefit should be limited to bear a definite relationship to the amount of the contributions made or the premiums paid. Premiums may be paid wholly by the employer, or by the employer and employee contributing, or by Government participation where States desire it, but the cost should be assessed as one of the industrial hazards for which industry itself must provide."

"Industry builds up reserves for payment of dividends to tide investment over lean years, and it should be looked to to provide for supplemental compensation to be paid to workers out of jobs through no fault of their own in the future. Economic insecurity is one of the major social hazards of our life in the United States of America, a hazard for the individual family, a hazard for the community which must maintain them on charity or a poverty level, a hazard to the total industrial institution because of the drying up of purchasing power." (1933: 3)

In June 1934 the President appointed a Cabinet committee to develop a national social security program. The Secretary of Labor was appointed chairman. Utilizing the technical and research staffs of all interested Federal agencies, the committee set up a small staff to work out the details of the program of social security "which should embrace and cover the hazards of old age, unemployment, handicapped children, and make some report upon health." (1935: 2)

The Social Security Act was passed in 1935. However, the "conferences, public hearings, and continued research work for Congress, as changes were indicated, continued to be done through the cooperation of the Department of Labor and the Federal Emergency Relief organization." (1935: 2)

Secretary Perkins said at that time:

". . . The law which now provides for old-age pensions, for the present aged and indigent, old-age insurance for those now of working age, unemployment insurance on the basis of State participation, State cooperation, with a Federal tax program, cooperative assistance to the States on the basis of cooperation in programs of maternal care, and care for the blind and crippled children is now basic law of the country and stands undoubtedly as one of the most significant pieces of legislation of this generation, having inestimable and beneficial effects upon the lives of wage earners in the future. The American working men and women can expect in the future a definite security and protection from the most unpreventable economic disasters." (1935: 2)

Those sections of the Social Security Act relating to maternal and child health services, services to crippled children, and child welfare services were administered by the Department of Labor through the Children's Bureau. (1936: 11) The unemployment insurance provisions were administered by the newly established Social Security Board.

Working Conditions

One of the first acts of the new administration was the establishment of the National Recovery Administration. Part of the act establishing this agency dealt with labor relations and part with working conditions. As regards the latter:

"A full year of experience with the National Industrial Recovery Act and the administration thereof has made it quite evident that the operation of that act has led to improvements in working conditions for labor, and that

through the administration of that act there have come about equally important improvements in the status of labor. The National Industrial Recovery Act is the most comprehensive attempt to improve working conditions in competitive industry that has ever been undertaken by any nation. Through National Recovery Administration codes the regulation of hours of labor of men and women alike has been undertaken for the first time in our history. Whereas State laws regulated the hours of labor of women only, some State laws permitting hours up to as much as 12 a day, under the National Recovery Administration most of the codes prescribe 40 hours a week as the standard, and about 25 percent of them require a limit of 8 hours or less as the number of hours to be worked in any one day. . . .

"Child labor is prohibited in practically every code; and night work, except in the continuous industries, has practically disappeared. These are substantial gains. . . ." (1934: 1-2)

". . . For the best part of the year the Assistant Secretary of Labor has acted as a direct labor assistant to the Administrator of the National Industrial Recovery Administration, thus making the liaison between the labor policy of the N.R.A. and the Labor Department's activities a close and harmonious one. From the beginning, almost all codes have been referred to the Labor Department for analysis of labor provisions and for technical comment upon their practicability and enforceability. In many cases the skilled and experienced people in the Children's Bureau, Women's Bureau, and in the Bureau of Labor Statistics proved the only resource of the Government for getting these codes on a sound, workable, practicable basis. The methods of determining who are substandard workers and the methods of determining how hours might be averaged over weeks or months were worked out by the people in the Department of Labor and submitted to the N.R.A. for adoption. The safety standards for the prevention of industrial accidents were prepared by the Department of Labor and recommended to the N.R.A., and in large part have been included in the codes as adopted. Methods of enforcement and compliance based on the long experience of the States in enforcing labor laws were worked out in the Labor Department and recommended to the N.R.A., but it has not been possible for the N.R.A. to adopt the suggested methods of enforcements up to the present time." (1934: 7)

In May 1935 the Supreme Court declared certain provisions of the National Industrial Recovery Act unconstitutional, and the whole program of improving working conditions had to be reconstructed on a different basis. The experience gained during the life of the act, however, was to prove useful. At the time of the Supreme Court's decision:

". . . the contemplated code program was over 90 percent completed, covering a large preponderance of both the major and smaller industries of the country. We are doubtless still too close to this experience to appraise it with maximum objectivity but some estimate is warranted. Although even particular codes involved variations as to hours and wages, it is apparent that substantial progress toward a minimum wage and maximum hours for both

men and women was made. Child labor by those under 16 was eliminated in coded industries. Over a hundred codes contained provisions against home work, a practice that spells child labor as well as the lowering of wage and hour levels. Satisfactory working conditions were not overlooked. Impetus was given the movement for more adequate safety and health standards in industry by general code requirements and safety and sanitation codes drafted to assist code authorities in meeting code provisions.

"The impact of the N.R.A. upon State policy was, of course, very substantial. Seventeen States enacted laws designed to effectuate the labor law policy of the national act, a number of which provided for a State code system involving minimum labor standards . . ." (1935: 7)

Now lacking the support of mandatory law in her search for the establishment of standards regarding working conditions, Secretary Perkins was forced to turn to the more tedious, and undoubtedly more difficult, task of attaining those standards by persuasion. "It became apparent," she wrote in her report for 1935, "that a national agency to discharge the duty of promoting improvements in labor standards was needed." (1935: 9) She turned to develop further the facilities of her own department, with special emphasis on her newly created Division of Labor Standards, established in 1934.

Labor Standards

Lacking legislative establishment, the Division of Labor Standards was set up by the Secretary, as part of her own office, in 1934. Its purpose, as she then conceived of it, was "to study specific and local problems and make recommendations of industrial sanitation, health and safety, security, wages, working hours, housing, adult and vocational education, community opportunity, and many other factors which bear upon the lives of our workers." (1933: 6)

The Division was first formally included in the Secretary's report for 1936 and received its first congressional appropriation in 1937.

Among the most important activities of the Division was the laying of a foundation for cooperation between the State governments and the Federal Government in matters of standards of harmonious labor legislation:

" . . . Looking to this end, a general conference of labor commissioners from the various States, as well as delegates appointed by the governors, including delegates representing organized labor, was held in Washington in February 1934. This conference attempted to develop and recommend a practical and desirable program of labor legislation that could be recommended and endorsed for all the States. These recommendations covered a broad field, dealing with workmen's compensation laws, physical conditions of work places, hours of labor, minimum-wage laws, child-labor laws, home-work laws, as well as laws relating to unemployment insurance. The standards were worked out in great detail and, after having been formally agreed upon by the delegates, were transmitted through them to the various

States. Since that time they have been consistently recommended by the United States Department of Labor to the various States as a basis for planning their own legislation. This is perhaps the broadest program of labor legislation ever recommended in this country. Many of the States have such legislation, but few of them have all of the legislation recommended. The conference also requested the Department of Labor regularly to conduct regional conferences on matters of labor legislation and from time to time to call other national conferences in order that standards might be kept up to date, and the experiences of the various States pooled and compared. . . ." (1934:8)

These national and regional labor legislation conferences met annually until 1955, when they were discontinued. They were reinstated on a regional basis in 1959.

At quite an early stage in the meetings, various standards were agreed upon as desirable. Among the items which early and clearly emerged were:

"1. Generous workmen's compensation insurance against the cause of industrial accidents.

"2. Strict laws with regard to the guarding of machinery to prevent accidents.

"3. The prevention of occupational diseases by the removal of noxious and poisonous dusts, gases, and fumes from places of employment and by other methods.

"4. The building and arrangement of buildings to prevent loss of life and accident by fire. . . .

"5. Shorter hours of labor. . . .

"6. Prevention of child labor under 16 and the regulation of the labor of young people between 16 and 21. . . .

"7. A sound minimum-wage law with a procedure to prevent the exploitation, particularly of women and minors, who are the most easily exploited.

"8. Some provisions for the collection of wages for those to whom, after a period of work, wages are denied through fraud, carelessness, or otherwise." (1935: 4-5)

A major contribution of this division then and since has been its annual digest of State and Federal labor laws.

Apprenticeship

Employers pointed out that they could not afford to employ apprentices and certain other workers in training status at the rates prescribed under the NRA codes. In view of the importance of apprentice training in preparation for the skilled trades, and to permit its continuance, though under proper regulation:

". . . the President issued an Executive Order on June 27, 1934, conferring powers upon the Secretary of Labor to set up a Federal Committee on Apprentice Training. . . . This committee was given the power to make

rules and regulations whereby apprentices might be employed at less than the minimum rates specified in the codes. . . . In the course of the first year of work State committees were established in 43 States. . . . After the Schechter decision the question of continuance of the work of the Federal committee was definitely brought to the fore. Because the program had gained so much headway in a comparatively short time, and because its representative character had enabled it to avoid the dangers and abuses that are often found in pseudo apprenticeship schemes, it seemed desirable to continue the program on as permanent a basis as possible. Accordingly, the National Youth Administration designated the Federal Committee on Apprentice Training as the agency to carry on the apprentice phase of its program. . . .” (1935: 17-18)

In August 1937 the Federal Apprenticeship Act was passed, authorizing the Secretary of Labor to formulate and promote the extension of labor standards necessary to safeguard the welfare of apprentices. A number of States enacted somewhat similar legislation, but in more detail, establishing standards equal or superior to those recommended by the Federal Committee on Apprenticeship.

For administrative purposes the apprenticeship function was located in the Division of Labor Standards.

Labor-Management Relations

Section 7(a) of the National Industrial Recovery Act provided that every NRA code and agreement should guarantee the right of employees to organize and bargain collectively through representatives without interference, restraint, or coercion by employers. In many industries, industrial relations boards were set up by code agreements. They served as “a kind of informal collective-bargaining agency between organized employers and organized employees with regard to the conditions of the whole industry rather than those of a particular plant.” (1934: 6-7) Many of these industry boards utilized the services of the Department of Labor conciliators, thus not only obtaining the assistance of experienced mediators, but also avoiding the necessity of employing field staffs.

In August 1933 the President appointed a National Labor Board, headed by Senator Robert F. Wagner, to act in an investigative and adjustment capacity in strike situations.

“. . . This Board was called upon frequently to pass upon claims of discrimination for union activities and to set up a method of making it possible by conciliation to arrange for collective bargaining between employers and employees that the law anticipated.” (1934: 5)

In June 1934, by resolution of Congress, the membership of the Board was changed from bipartisan to nonpartisan, and its title was changed to National Labor Relations Board. Commenting on this first year of the Board’s history, the Secretary wrote:

“During this period employers frequently challenged the right of certain

unions to represent the workers in their plants, and for the first time there arose the conception of determining who shall represent workers for collective-bargaining purposes by a vote of the workers themselves. This was a new and what was to prove a significant step in the history of American labor policy. It came about through experience with situations which had proven difficult. On the suggestion of the Board that a vote be taken in the plant and on the acquiescence of the employers, elections were held under the auspices of the Labor Board. Such elections were conducted fairly, intelligently, and in the way in which ordinary elections are held. It was taken for granted in the original elections that the group or committee that had the largest number of votes would represent all the workers in the plant. Several such elections were held and both employers and employees accepted the results. In some cases, however, the right of those elected to represent the minority who had not voted for them was questioned. It was out of this practical experience that the rulings, at first informal, and later formalized into an expression of the right of the majority so elected to deal with employers on behalf of all the employees in the plant, came into being. This was known later as the right of majority rule.

"Industrial relations established on a new basis by section 7(a) of the National Industrial Recovery Act have gradually evolved into the beginnings of a code. The American policy in this field will be undoubtedly a gradual growth based on experience and on the concepts of the free right of labor to organize without interference by employers, the wisdom of collective bargaining between employers and their freely organized employees, and the encouragement of the principles of mutual cooperation by the improvement of production and working conditions out of such association." (1934: 5)

Then, in May 1935, the Supreme Court declared section 7(a) unconstitutional. In June Congress passed the Wagner-Connery Labor Disputes Act, which defined and strengthened the rights to freedom of association and collective bargaining.

Commenting on the 2-year history of the National Industrial Recovery Act and its administration, the Secretary wrote:

"Despite the controversies concerning interpretation which clouded the career of section 7(a) . . . and the want of adequate sanctions, it did much to advance its object, assuring to labor the right to enjoy self-organization and collective bargaining. This type of legislation, it should be observed, was not entirely new. The Railway Labor Act of 1926, which was amended in 1934 by an act establishing the National Mediation Board in place of and with broader jurisdiction than the United States Board of Mediation, sought to do much the same thing for railroad employees. The declaration of policy in the Norris-LaGuardia anti-injunction law of 1932 gave expression to the principles of freedom of association and collective bargaining. The railroad reorganization amendment of March 3, 1933, to the Bankruptcy Act and the Act of 1933, establishing a Federal Coordinator of Transportation, embody labor provisions, which protect the worker's right to freedom of association.

"The nominal right of labor to organize, now long conceded in this country, is a far cry from assuring collective bargaining. Section 7(a) sought to establish actual freedom of association, which is essential to representative action. But much remained to be marked out in practice. Questions were bound to arise as to various aspects of representation. The conception of a right to collective bargaining was just emerging as a legal idea and as such its precise meaning remained to be worked out in application. Doubtless the most conspicuous and important issue was the question whether collective bargaining should proceed on the principle of majority rule or proportional representation. Majority rule prevailed and has been specifically approved by Congress in the Wagner-Connelly Act. Such questions were in themselves enough to provoke controversy. New ground is not broken with minimum difficulty. It was to provide an impartial machinery of adjustment that the various labor boards with 7(a) jurisdiction were established.

"The conducting of labor elections to determine representation for collective bargaining is one of the newest contributions of the labor boards. The device is democratic in character and affords a dignified basis for representation. Significantly enough, such elections have definitely conduced to fruitful collective bargaining. . . .



In 1915 a power station stood where the Department of Labor Building now stands. Facing it were Department of Agriculture greenhouses.



**Construction of the Labor and ICC Buildings was nearing completion
in the spring of 1933.**

"... The new [National Labor Relations] Board was created pursuant to a joint resolution of Congress, which authorized the President to establish one or more boards empowered to investigate the issues and facts in controversies or complaints arising under section 7(a). This resolution continued the practice, begun by the National Labor Board, of conducting labor elections to determine representation for collective bargaining, where the public interest would be served. The Board became the coordinating agency for the various special and regional boards. As required by Executive order all reports and recommendations of the Board were made through the Secretary of Labor. . . .

"The Supreme Court decision of May 28, 1935, invalidating certain sections of the National Industrial Recovery Act, substantially brought to an end the diverse but instructive experience with labor boards which the country had had for nearly 2 years in connection with the recovery program. We are now in a much better position to determine the proper organization and jurisdiction of labor boards. Light has been shed upon the usefulness of special and regional boards, and the relative effectiveness of nonpartisan and bipartisan boards. The needs for powers of enforcement became conspicuously pressing.

"Upon this background a new agency takes up its work. Just before the close of the fiscal year the Congress enacted the Wagner-Connery Labor Disputes Act, which established a National Labor Relations Board to give enduring sanction to the collective-bargaining principle. Unlike its predecessors, this Board has certain powers of enforcement comparable to those of the Federal Trade Commission.

"Neither section 7(a) nor the Labor Disputes Act were conceived to be Utopian short-cuts to industrial harmony. They were designed, however, to make collective bargaining a reality, and the latter act provides a new impartial body to facilitate this. The ultimate sanction behind the measure is, as is always the case, its good-faith acceptance by those who are to be governed by it." (1935: 11-12)

The number and scope of industrial disputes continued to increase. In 1937 there were 3,743 strikes involving 1,745,000 workers.¹

In September 1936 the executive council of the American Federation of Labor suspended 10 unions banded together as the Committee for Industrial Organization and having as their avowed objective the organization of production workers into industrial unions. The separation involved considerable contention and strong feeling. However:

"The Department of Labor and every officer and bureau in it has consistently refrained from taking any part or showing any favors or partiality in this internal upheaval in the labor movement. There can be no doubt that the able and honest men on both sides feel deeply and sincerely that their position is the right one. The Department of Labor has at all times furnished information and its services to all workers and groups of workers without regard to their affiliation, and it has maintained its relationships not only with the officials of unions of both camps but with the wide membership of both throughout the country." (1937: 8)

Reviewing developments in the field of labor-management relations through this earliest period of her administration, Secretary Perkins wrote:

"The growth of organized labor in membership and in public significance in the last 2 years has been remarkable. The recognition on the part of many employers of the wisdom of close and active partnership in working out with their organized workers the problems of the industry has been most stimulating to everyone who has in mind the organic law which set up the Department of Labor.

"Clearly this increase in numbers and importance brings to organized labor great obligations and responsibilities. These obligations are to industry and to the country as well as to its members. There is every indication that they can and will be discharged faithfully. Time and experience are necessary to full performance. If the right balance is to be preserved, if lasting progress is to be made, there must be a spirit of give and take, of

¹ In this year, too, the Conciliation Service reported "the first sitdown strike in the United States," among rubber-goods workers at Akron, Ohio. (1937: 14)

compromise now on one side, now on the other, always in the interest of the country as a whole.

"Labor problems cannot be solved solely by laws. There must be mutual agreement, good faith, and understanding and cooperation by employers and workers. Thousands of employers accept the worker as a partner; only a relatively small number of employers refuse to deal with them. I repeat what I have said on several occasions, there must be industrial peace but with justice.

"The workers' desire for stability of income and job and the industries' equal need for the best use of plant and machinery indicate that the next great step in industrial management in this country will be made by management and labor working together in the conscious development of scientific methods of stabilizing both production and work in American industries.

"These methods must vary with the industries, but the further expansion of productive capacity so desirable can be accomplished more safely along with the increased stability so necessary both socially and economically. Neither of these can be effectively accomplished without the informed and vigorous participation of organized workers." (1937: 11-12)

Labor Statistics

Fundamentally the main objective of a bureau devoted to the compilation, analysis, and publication of statistics is to maintain in continuous series the reports for which it is responsible. It must also, however, add additional series as the need for them develops, and be ready to conduct any special studies of an emergency nature that it may be called upon to perform in answer to current problems. Above all, it should, if alert to historical developments, anticipate future inquiries and demands for information and make studies and collect the necessary data well ahead of the time they will be needed.

As the leading organization in the United States for the collection and study of factual information on the welfare of workers, the Bureau of Labor Statistics, throughout its long life, has been subject to these requirements.

During the period under review in this chapter the Bureau completed its 50th year of service to the people of the United States. It is therefore of interest to note what the Commissioner of Labor Statistics, Isador Lubin, had to say concerning the work of his bureau.

"[Recent] reports of the Bureau . . . pointed out the amount of reorganizing and expanding that was necessary in nearly every phase of Bureau activity to meet the greatly increased demands for our services by employers, employees, and Government agencies. The effects, not only immediate, but cumulative . . . are reflected in this accounting During the year the reorganized machinery of the Bureau ran more smoothly, and activities which had been postponed or subordinated because of the urgency of other work were again brought within the scope of the Bureau's normal functions.

"These functions, as the working of the organic act makes apparent, cover an extremely wide field. As the first Federal agency devoted to labor interests and activities the Bureau had to break new ground, survey its own field, and establish its own precedents. All the work of the Bureau of Labor Statistics has a bearing upon the living and working conditions of that preponderant element in the national population classed broadly as 'workers,' and no work is undertaken unless it has a definite labor aspect. However, the data assembled by the Bureau for its own purposes constitute source material which, with a shift of emphasis and a different viewpoint, becomes of almost equal value to other agencies whose functions lie in related fields. Thus the Bureau of Labor Statistics is the primary source of information for governmental bodies that need data on building activities, prices, and earnings.

"At the same time, activities of other Federal agencies that seem to lie in fields covered by the Bureau are in fact directed toward aspects and emphasis other than those concerned with workers and their interests. Price surveys of the Department of Agriculture, for instance, deal not with living costs but with such factors as the spread between wholesale and retail prices and prices paid to the farmer. The Bureau seeks at all times to cooperate with agencies in related fields, while keeping its own boundaries free of overlapping." (1936: 70)

"Throughout the years 1933-36 the Bureau of Labor Statistics, in common with other units of the Department of Labor and indeed all governmental agencies, put its resources and its efforts into the great drive toward national recovery. The demands made upon the Bureau to meet the needs of that drive carried it to a considerable degree outside of the field of its normal functions. In consequence many of the Bureau's usual activities had to be either curtailed seriously or stopped entirely.

"With the pressure of emergency work materially lessened, the Bureau was able during the fiscal year 1936-37 to resume most of its customary work and, within the limits of its resources, to expand its most important activities to keep pace both with industrial expansion and with increasing requests for service within its recognized fields." (1937: 59)

". . . it is of utmost importance to emphasize that the Bureau of Labor Statistics is not a finished machine, grinding out statistical and research data year after year in the same patterns. It is dealing with the actions and reactions of human beings in a constantly changing world. Thus, usefully to fulfill its functions it must be prepared constantly to change not only the patterns of its work but the machinery through which it operates.

"This fact is evident when one reviews the publications of the Bureau over the half century of its existence. When this is done, it is difficult at times to realize that one is dealing with the same agency. The subjects covered and the methods of treating them are found to be shifting constantly and often radically. This was not due to any arbitrary change of policy on the part of the administration of the Bureau. It was due to the fact that during this half century fundamental changes took place in our industrial as well as our

social life. Many labor problems of acute importance in the 1890's gradually passed from the picture and new ones entered.

"Take the case of workmen's compensation for industrial accidents. Thirty years ago there was no effective legislation in this field in the United States, but, anticipating the drift of social thinking, the Bureau was even then busy compiling extensive reports on the number and cost of industrial accidents and bringing to the attention of Americans the practice of other countries in this matter. As a result, when the time was ripe for legislative action a mass of information was available for the guidance of those concerned with the drafting of public laws. Today workmen's compensation is an accepted principle, and interest has shifted to a still more fundamental question—the reduction, and, if possible, the elimination, of industrial accidents. It is to assist in this very worth-while campaign that the Bureau is now seeking to expand its research work in the field of accident statistics.

"Again less than 5 years ago, unemployment insurance, as a matter of legislative policy, was almost unknown in this country. But, as in the case of workmen's accident compensation, those close to the labor field could anticipate that it would be a live issue in the not distant future. The Bureau of Labor Statistics realized this, and sought to collect and compile all the available material pertinent to the subject, with the object of having it ready when the need for it should arise.

"In other cases, changes in the Bureau's work have been in methods rather than in subject matter, and thus still less observed. For instance the subject of wages has always occupied a prominent place in the Bureau's program. Until recently, however, wage surveys were concerned mainly with average hourly earnings. During the past few years changing conditions have made it imperative to secure data on annual earnings.

"In none of these instances, of course, and at no time, has the Bureau been a proponent for any particular course or policy. Its job has been to assemble and present the facts of our economic life as they affect the workingman. If these facts indicate the desirability of legislation or of other remedial action, that is the job of other agencies. But the importance of the preliminary fact gathering cannot be overemphasized. In many respects it may be regarded as the most important work done by the Bureau in its efforts . . . 'to promote the welfare of the workers' of this country.

"The task of the Bureau of Labor Statistics is, therefore, not only to do well what it is doing now but to be constantly preparing for what will be demanded tomorrow. It must, of course, do a considerable amount of more or less routine collecting and compiling of current data. But in addition it must be in a position to do pioneer work in new fields. In this respect it must perform functions analogous to those performed in the research laboratories of private industry. In other words, it must be able, in some degree at least, to anticipate the problems of tomorrow, and to do the necessary exploratory work in preparation for furnishing the factual basis for dealing with new 'problems' when they become 'live issues.' " (1937: 77-79)

At this point the Commissioner added a list of items in need of further research. In view of later events, they were prophetic, and supported his argument. Needing study, he said, were the regulation of wages and hours in subnormal enterprises; groups on the borderline between employability and self-support; what to do with workers whom private enterprise no longer needs; farm labor; migratory labor; the range of working hours and earnings; annual earnings; the earnings of salaried and professional workers; personnel policies, including benefit plans, vacations, and housing; causes of and remedies for labor turnover; and older workers in industry.

Child Welfare

Reviewing the situation for children in the United States in 1934, Children's Bureau Chief Grace Abbott pointed out that "while as a result of the recovery program already initiated, there have been some important gains for children, many still suffer serious and preventable handicaps." (1934: 92) She therefore urged several improvements.

She pleaded for Federal cooperation with the States in a child health program roughly along the same lines as that previously developed through the Maternity and Infancy Act of 1921.

"There is . . . no reason for considering our present program adequate. . . . For most States, except for large urban centers and a few counties . . . child-health conferences and the educational work with parents and students have been reduced almost to the vanishing point at a time when they are especially needed. . . .

"In addition to a preventive health program, medical care is needed for many children who are now on relief or whose fathers are unemployed but are not on relief, and for many whose fathers are in the low-income groups and cannot pay for adequate medical services. . . .

"Facilities for maternal care are [also] sadly inadequate in many sections of the country. . . ." (1934: 92-93)

In the field of social welfare, she argued for Federal grants-in-aid for State mothers' assistance or mothers' pension funds, and urged that "the costs of adequate, long-time care for these children should be shared by Federal, State, and local governments." (1934: 93)

As regards juvenile delinquency, she wrote:

"It is clear after 30 years of experience that we cannot expect the juvenile courts as now organized to prevent delinquency. Evidence has accumulated year after year that failure to meet fundamental community needs explains much delinquency and unhappiness among children and crime and inefficiency among adults. Because of the lack of economic security in the family life, because of our failure to provide adequate homes for the lowest-income group through a public housing program and increased recreational resources as well as more and better social and psychiatric services for children, we are making little headway in preventing delinquency among children." (1934: 93)

As to child labor, although she commented favorably on improvements in the general age for entering employment as a result of the NRA codes:

"... Most schools unfortunately are not fully prepared to meet their needs, and school budgets have been cut so seriously in recent years that provision for these boys and girls who are returning to school or remaining longer in school might seem to be at the expense of the other children. . . ." (1934: 93)

"While much progress has been made in eliminating and regulating the employment of children under the N.R.A. codes, the importance of giving to Congress the clear constitutional right to legislate in this field is evident." (1934: 94)

Until the Supreme Court's decision in 1935 invalidated the NRA codes, child labor standards had been higher in many respects than ever before. Thereafter it was apparent that a general slackening of labor standards occurred in industry. The passage of the Social Security Act, however, offered a new means by which some of these proposed improvements could be effected:

"When funds shall have been made available by Congress for carrying out the purposes of the Social Security Act means will have been provided for carrying out the recommendations of the previous annual report relating to Federal cooperation with the States in a child-health program, Federal aid in providing treatment and convalescent care for crippled children, demonstrations of maternal nursing services in rural districts, and Federal grants in aid for mothers' aid or mothers' pensions. . . ." (1935: 119)

The Children's Bureau remained responsible for the administration of maternal and child health services, child welfare services, and services for crippled children, and it also cooperated closely with the newly established Social Security Board and other agencies responsible for other portions of the Social Security Act. To insure effective liaison, the staff of the Bureau was supplemented with "experienced representatives of the professions of pediatrics, obstetrics, orthopedic surgery, public-health nursing, medical social work, nutrition, social services to children, industrial economics, and social statistics." (1936: 109)

The first appropriations under the Social Security Act for allotments and payments to the States for maternal and child health services were made to the Department of Labor in 1936. For the succeeding decade, while the Children's Bureau remained within the administrative control of the Department of Labor, amounts rising eventually to more than \$11 million a year were appropriated for this purpose, and were disbursed to the States under arrangements worked out with the Children's Bureau. A sum approximating roughly 5 percent of the State-grants total was allowed to the Bureau for administrative expenses.

The basic publications of the Bureau continued to be best sellers. By the end of 1937 their distribution since date of publication was as follows:

"Prenatal Care," 3½ million copies; "Infant Care," 8 million; and "The Child From One to Six," 3 million.

Women Workers

During the depression the Women's Bureau continued to stress particularly the need for recognition of the claims of women workers on employment, the desirability of minimum wage legislation for women, the problem of wage inequalities between men and women doing the same kind of work, and the incidence of industrial diseases and other ailments among women which are attributable to the limitation of their employment to the less desirable job categories. The results of the Bureau's efforts during the 5-year period here under review are recorded in the annual reports of the Bureau Director:

Problems of Women Workers

"The problems confronting the married woman worker have been many, particularly in the past year. The vast majority of married women work for the same reason that married men work, because their families need their earnings. Investigations reveal striking discrepancies between men's earnings and family budgets necessary for the maintenance of a health and decency standard of living. So wives become breadwinners to help to support the family or to raise it to a higher level of living, and it is during a period of severe unemployment that their responsibilities are the greatest. Moreover, marital status as a basis for employment or dismissal is not sound. A woman who is discharged today because she has a husband to support her may find herself widowed or deserted tomorrow. As a principle, jobs should be awarded on qualifications.

"The urgent need for markets calls for increased purchasing power for the millions of workers to enable them to buy goods and thus keep the wheels of industry turning. More than two thirds of the goods disposed of in this country are bought by those whose incomes are less than \$2,000 a year. As the domestic market is largely dependent upon the rank and file of workers, expanding and contracting with the rise and fall of wages and with the increase and decrease in employment, and as women are a large part of this spending power, low wages to women have the effect of depressing the market." (1933: 93)

Wage Differentials

"It is a matter of common knowledge that women's wages ordinarily are considerably below those of men." (1935: 126)

"It is a well-known fact that employed women usually have much less to live on than men have, and there are indications that they are paid less even when on the same work. Though the jobs of women and of men ordinarily differ, the major employment of women along particular lines has led certain work to be paid at a low standard on the assumption that it is 'women's work,' regardless of the fact that it may require considerable skill, dexterity, or a

fine handling peculiarly suited to women's capabilities and worthy of better pay. This is a subject upon which information is much in demand. . . ." (1936: 142)

"The substitution of women for men at lower pay strikes a real blow at men's wages. It brings all wages down to a lower level and seriously reduces the consumers' purchasing power—that purchasing power whose high standard is so necessary to our whole economic structure. For these reasons, investigation into the wages paid to working women is of primary importance, and it must be continued so that eventually we may eliminate for all time the tendency to return our women workers to sweatshops instead of to factories with good standards of wages, hours, and working conditions." (1936: 148)

Minimum Wages

"A major activity of the Women's Bureau lies in responding to demands for aid in minimum-wage progress. This is reasonable, as more than 6 million wage-earning women in the United States may potentially have their earnings improved by such measures, over 3½ million of them in States already having minimum-wage laws.

"Throughout the year three distinct lines of activity have been followed in this connection: Consultative services in administrative problems have been furnished to the States; information of many types has been given to help in developing the entire minimum-wage movement, this in some cases involving field surveys; and the Bureau has stood sponsor for frequent conferences of State authorities on special minimum-wage problems.

"Many requests for assistance have come from States desiring to organize minimum-wage machinery under new legislation, from those with established organization, but facing a new variety of problems, and from those desiring to set in motion measures to enable them to fix bottom levels to wages." (1936: 138)

"The major activities of the Bureau have been its continued service in the field of minimum wages for women and its assistance in the administration by the Department of the Public Contracts Act, which provides for the regulation of hours and wages in employment on certain Government contracts.

"The first of these was greatly increased by the renewed activity in various States following the decision of the United States Supreme Court upholding the constitutionality of the minimum-wage law of the State of Washington. . . .

"This aroused public interest has added greatly to the demands on the Women's Bureau for assistance. . . . Field surveys to provide data for the purpose of legislation have been made. . . . Women's organizations have been assisted in their joint efforts to secure legislation; frequent consultation has been given new administrators of minimum-wage divisions as to the most successful investigatory and administrative procedures; and the Bureau has served in general as a clearing house of experience of State officials on methods of minimum-wage administration and as a consultant service for such officials and other interested groups. . . .

"Much of the Bureau's time and energy over a period of several months was given to participation in the Department's administration of the Public Contracts Act. . . ." (1937: 129)

Improvements Resulting From NRA Codes

"Almost immediately after organization of the N.R.A., the Women's Bureau began systematic study . . . of every proposed code. . . . No stone has been left unturned in the effort to have codes contain adequate labor provisions, especially affecting women. . . .

"The Bureau has pointed out the undesirability of a minimum wage differential by sex or by locality or size of community; of still lower wages to learners and the handicapped, low wages for office workers, the averaging of hours, and certain exemptions from hour and wage provisions. It has advocated the shortening of hours of work; the prohibition of overtime except for extreme emergencies; time-and-a-half pay for overtime where allowed; prohibition of home work; provision to protect workers' health and safety." (1934: 99)

"The industrial codes sought to fix certain minimum wages and certain maximum hours of work. The establishment of such labor standards was of enormous benefit to many of the women under the codes, even though the minimum fixed for woman-employing industries often represented far too low a wage for decent living. . . ." (1935: 123)

Immigration and Naturalization

By Executive order in June 1933, the separate Bureaus of Immigration and Naturalization were consolidated as the Immigration and Naturalization Service. At the same time, the annual budget of the combined services was reduced by approximately \$1½ million. This made necessary a radical reduction in force. Nevertheless, the combined services continued to constitute the largest bureau group in the Department of Labor.

Since the enactment of the immigration laws of the early 1920's, immigration had dropped to negligible quantities.

"As a result, the problem of caring for the unemployed has not been aggravated by an influx of aliens to compete in the labor market with those born in this country or previously admitted. In fact, beginning with 1931 the number of aliens leaving the United States has in each year exceeded the number arriving. . . . After flowing constantly in one direction for more than 300 years, the tide of migration has turned. Quantitatively and for the present, at least, we have no immigration problem.

"The policy of immigration restriction is generally approved by the people of the United States. . . . It is generally recognized that the United States can no longer absorb annually hundreds of thousands of immigrants without serious economic and social dislocations. Certainly the present restrictions cannot be relaxed while millions of workers are unemployed and maintained at public expense." (1934: 48)

International Labor Affairs

The decision of Congress after World War I to avoid direct and active participation in the work of the International Labor Organization accounts for the absence of any reference to international labor affairs activities in the annual reports of the Secretaries of Labor from 1920 to 1934, when the United States, under congressional authorization, formally accepted an invitation to join the ILO.

In the summer of 1933 and the spring of 1934, a small delegation of observers had been sent by the Labor Department to take part unofficially in the conferences of that organization. "The growing thought that the co-operation of the United States would be of great assistance both in the development of labor standards in this country and in harmonizing the labor practices of other countries with ours, for the mutual benefit of all, became a conviction to those who took part in these important conferences." (1934: 7-8)

When the United States joined the ILO, the Department of Labor was designated as the liaison agency. First official participation was at the Conference held in June 1935. Commenting on this, the Secretary wrote:

"... It is expected that the affiliation of the United States will further legislation for improved labor standards in this country by requiring the competent legislative authorities here to pass upon the question of ratifying international standards, and thereby inducing other nations to abandon such competitive advantages as may accrue from less advanced labor conditions." (1935: 3-4)

Public Contracts

In June 1936, Congress passed the Walsh-Healey Public Contracts Act. The primary purposes of the act were:

"One, to correct the unfortunate situation in which the Federal Government found itself, on the one hand trying to encourage higher labor standards for American industry, and on the other hand, because of the statutes under which it made its purchases, forced to award contracts to the lowest responsible bidder regardless of his labor policies, which amounted to the subsidization of the worst practices in industry by the Government; and the other, the setting up of a practicable standard for private industry so that the Federal Government, by its example in patronizing only employers who were maintaining fair labor conditions, could encourage the adoption of those standards by industry generally on a voluntary basis." (1937: 34)

Administration of the act was placed in a new division in the Department of Labor by order of the Secretary. The act applied to public contracts in excess of \$10,000 for supplies for Government use. It provided for the payment of time and a half for work in excess of 8 hours a day or 40 hours a week. It prohibited home work, convict labor, and "oppressive" child labor on the contracts. In addition, it authorized the determination of

prevailing minimum wages for the Government work, and required Government suppliers to maintain safe, healthful working conditions.

In discussing the first year of experience with this act, the Administrator of the act wrote:

“. . . It would seem . . . that the main reason for the widespread compliance with the statute has been that the labor standards imposed are reasonable in the light of modern industrial conditions, and are recognized by the great bulk of employers not as a repressive hardship but rather as an actual protection against the ravaging effects of unfair competition from sweatshop employers.” (1937: 35)

Consumer Interests

Although not referred to in the annual reports of the Secretary, there was at this time in the Department of Labor a unit known as the Consumers' Division. The Division had been created within the National Recovery Administration in July 1935. Its Director was adviser to the President on consumers' problems and reported to him directly. However, by Executive order of December 21, 1935, the Division was made a part of the Department of Labor, remaining there until transferred to the Department of Agriculture in August 1938.

The functions of the Division were to “stimulate interest in the problem of the consumer; to review public policy insofar as it relates to the consumer; to suggest ways and means to promote larger and more economical production of useful goods; and to facilitate the maintenance and betterment of American standards of living.”²

Summary of This Period

Secretary of Labor Perkins, in her annual report of 1939, summarized briefly the accomplishments of the 1933–38 period, specifically with regard to the problem of unemployment. In this listing, one of her references is to the Wage and Hour Act, which is treated early in the next chapter. She wrote:

“First. An immediate recommendation early in 1933 that there be some quick relief in the way of Federal appropriations to assist the States and localities in meeting the primary relief needs of the people who were then unemployed and had been unemployed for a long time in the emergency of general depression.

“Second. A program of straight public works. The recommendation for it and the justification for it, and the basic figures and information came out of the Labor Department. The conception of finding special work for those

² Sources: U.S. Government Organization Manual, appendix A, “Consumers’ Agencies”; and Walter H. Hamilton, “Protecting the Interests of the Consumer,” U.S. Labor Department’s Labor Information Bulletin, January 1936, pp. 1–3.

who could not be absorbed on straight public works also sprang from a meeting of labor leaders, government officers, and others in the Department of Labor early in 1933.

“*Third.* The Wagner-Peyser Act, which established well-equipped free public employment offices, also came from recommendations of this Department as a method of taking care of the effective placement of persons looking for work where there was work to be had, so reducing the loss and waste of poor placement of the job hunting.

“*Fourth.* The labor sections of the N.I.R.A. were contributed by this Department and its advisors in an effort to offer employment opportunities and labor protection in private industry.

“*Fifth.* The Public Contracts Act, which required not over 40 hours and a fair minimum pay on Government contracts in manufacturing. This act sprang out of the recommendations of the Department, advised by a conference committee of State labor department officials and labor leaders.

“*Sixth.* The Wage and Hour Act, which was the first effort to establish on a Federal basis a floor to wages and a ceiling to hours. This grew directly out of the recommendations of this Department, advised again by a conference of State labor department officials and labor representatives following the abandonment of N.I.R.A.³

“*Seventh.* Unemployment compensation, which is an adjustment for the loss of wages due to the accident of unemployment. Again this had its origin in the studies and recommendations of the Labor Department and its advisory committees.

“*Eighth.* Contributory old-age insurance for the future and Federal assistance to the States for providing old-age assistance to aged needy persons. These programs were adopted partly to enable the elderly to leave the labor market and so offer more employment to persons at the peakload of their responsibilities.

“*Ninth.* Limitation on the employment of young persons under 16 years of age in the N.I.R.A. Act and later in the Public Contracts Act and Wage and Hour Act. These provisions were aimed partly at keeping the immature workers out of the labor market and so offering more jobs to those in middle life.

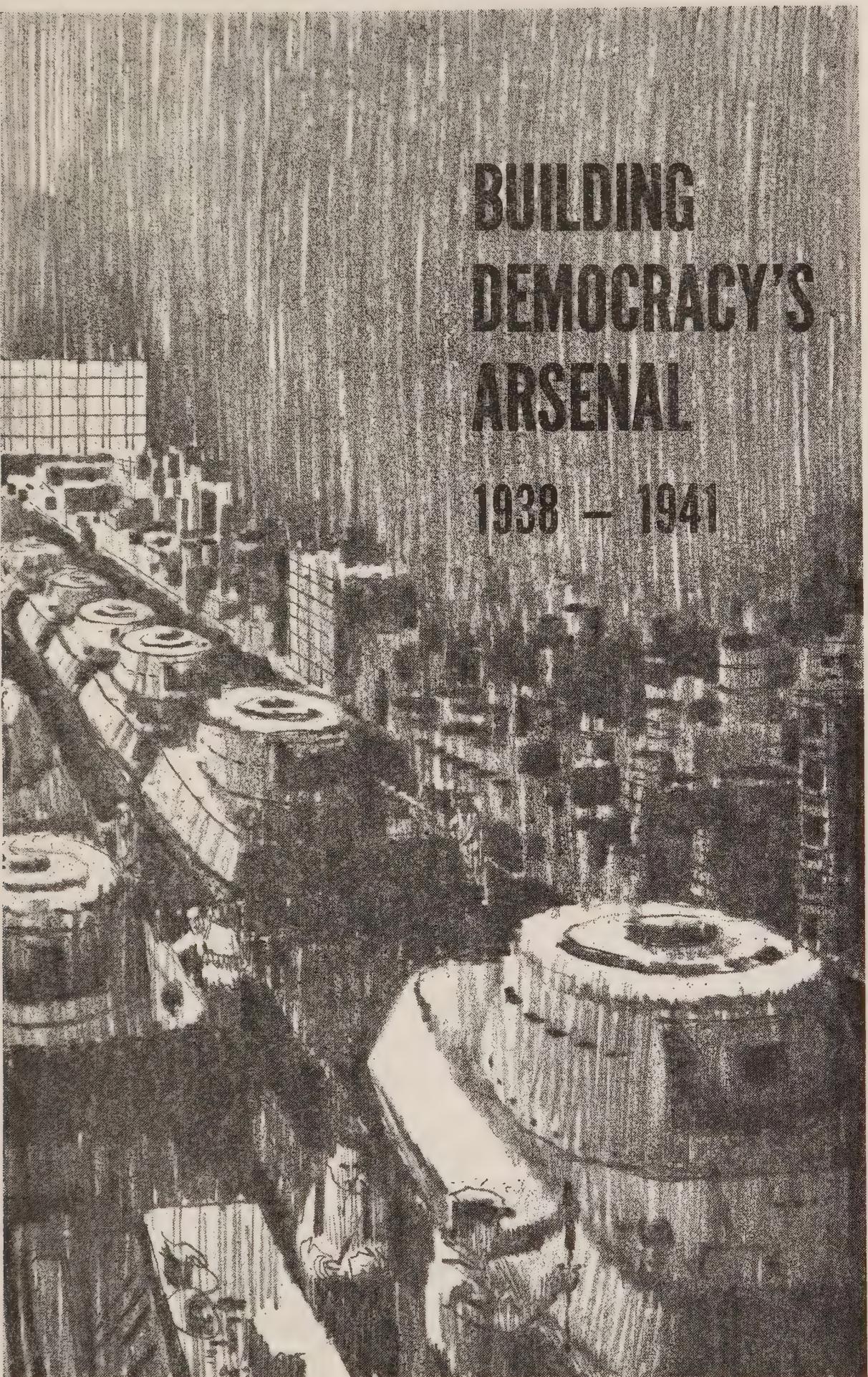
“*Tenth.* The basic information and recommendations for the development of the C.C.C. as a form of constructive educational employment for young persons. This, too, had its inception in the Department of Labor.” (1939: 2-3)

And in her 1938 report Secretary Perkins thus summarized achievements in the area of labor standards:

“... the picture of labor and social legislation in the United States has changed considerably. Standards governing hours, wages, child-labor terms

³ See discussion of this development beginning with the next chapter.

of employment, and physical working conditions have been set in many new fields and materially raised in others by State labor legislation; compensation for accidents and industrial diseases has been extended and compensation for other types of income loss such as unemployment and old age have been introduced and given wide application.” (1938: 3)



BUILDING DEMOCRACY'S ARSENAL

1938 — 1941

BUILDING DEMOCRACY'S ARSENAL 1938-41

During the early thirties the Nation had experienced drought, dust storms, and severe unemployment.

"I see one third of a nation ill-housed, ill-clad, and ill-nourished," said President Roosevelt.

In the field of labor-management relations, new and momentous developments occurred. John L. Lewis, president of the United Mine Workers, led a revolt against the American Federation of Labor in his determination to organize industrial workers under section 7(a) of the National Recovery Act. By 1937 the Congress of Industrial Organizations formed by Lewis and seven other union presidents had enlisted 3,718,000 members and was making most of the Nation's labor news. The AFL, too, began to move out in an aggressive organizing campaign.

In 1937 the "sit-down strike" was a shortlived phenomenon of the automobile industry. On Memorial Day, 1937, Chicago police charged CIO pickets at the Republic Steel plant near the Windy City, and 10 workers were killed.

In spite of these occurrences, the Nation was moving steadily down the road to recovery.

Expressing the widely accepted belief that the Nation was by that time fairly well out of the depression, Secretary of Labor Perkins in her report stated these as her objectives: High wages on a national basis, continuity of income, stability of employment, reasonable profits, opportunity for investment of savings in expanded industries and in new industries, and the "conservation and adequate utilization of natural resources, including human life and happiness." (1938: 6-7)

Her main concern at that time was the recent cleavage in the ranks of organized labor between the American Federation of Labor and the newly created Congress of Industrial Organizations. Her chief source of satisfaction was the enactment of a Federal wage-hour law.

War preparations in Europe had not yet directly involved the United States, but the country was busily engaged in the production of goods for use abroad.

Two years later, in July 1940, the Nation was engaged in a tremendous program of national defense, in preparation against possible attack. The

Secretary's problem had changed, but she examined it still through the perspective of the purposes defined in the organic act of the Department:

"... Now we are embarking on a great program in the interest of national defense. This program, upon which the American people are determined for the safety of America, finds the Department of Labor better equipped and better informed than ever before to meet the needs of wage earners, their troubles, and their problems.

"In such a situation the Department must be administered in fairness between worker and employer, between employer and employee, and between each and the public as a whole if it is to accomplish its purpose as defined by the Congress. It is recognized that only by doing so in harmony with the welfare of all workers and with legitimate business can the best interests of the country be served." (1940: 1)

Conciliation, Unions, and Industrial Relations

In her comments on the work of the Conciliation Service, the Secretary was quick to note that industrial relations were showing improvement over the years. Causing her most concern during this period was the conflict between union and union—the internecine conflict in the ranks of organized labor that had led to the separate organization of the CIO. The two aspects of the labor-relations situation are discussed here separately.

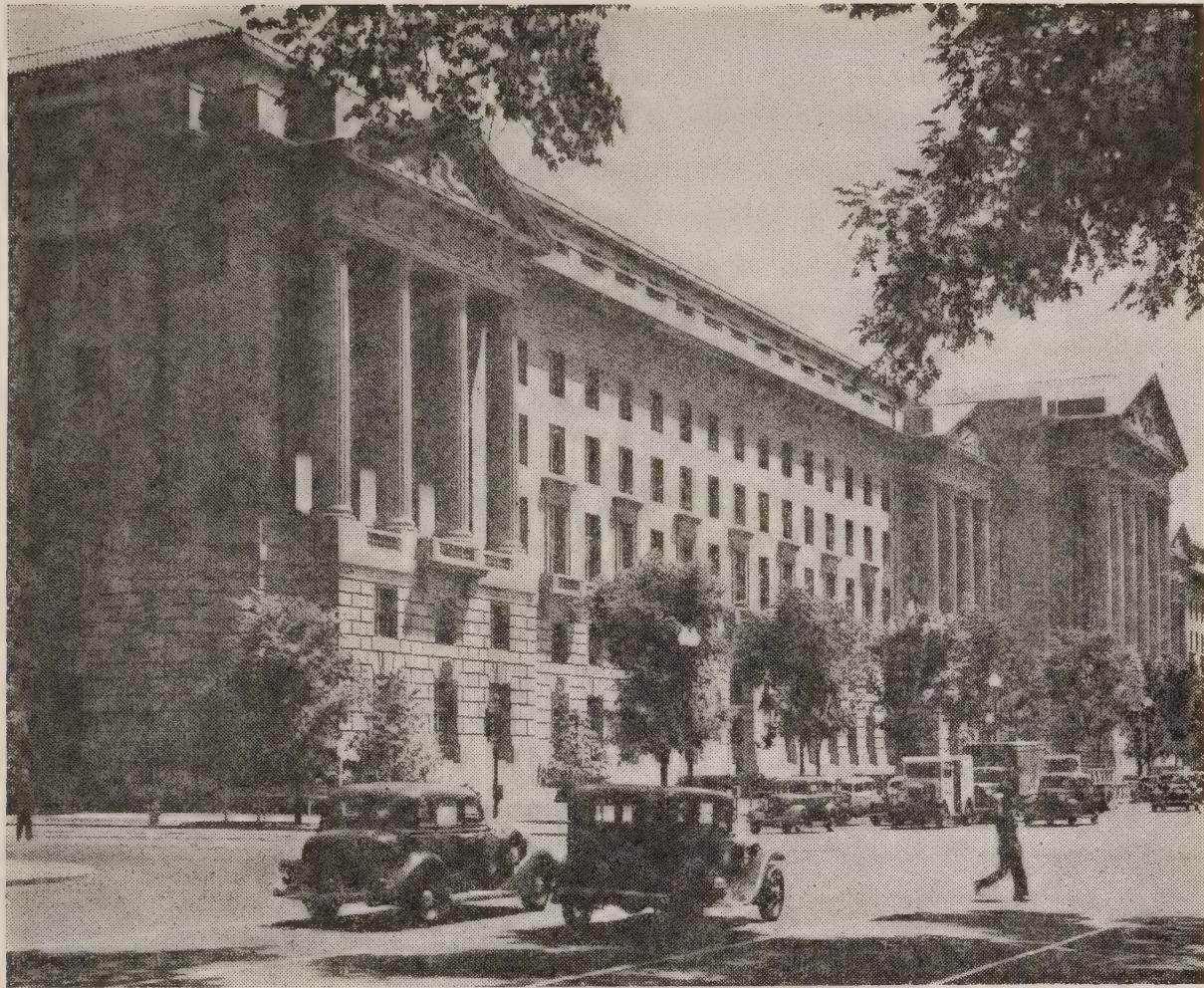
"Industrial relations," wrote the Secretary, "are being put on a more and more stable and practical basis. There are probably in existence today more voluntary contracts between employers and their workers than at any time in the history of our country. About 75 percent of these contracts have been arrived at without stoppage of work. . . .

"Eighty-five percent of all the agreements negotiated by this Department carry a clause to provide for the adjustment of any dispute during life of contract by some agreed method without stoppage of work. Forty-five percent of them provide for arbitration through the Department of Labor. The Conciliation Service of the Department is called upon by employers as well as workers and the procedure is so informal as to make it helpful in a wide variety of problems. . . ." (1938: 5)

"Labor now has a certain security against unfair interference and coercion by employers and has in turn a desire to develop responsibility for informed participation with employers and the country generally to achieve and stabilize an expanding national prosperity. Labor unions can build up self-disciplined, self-educated organizations for this purpose. It is a part of a labor union's job to develop a broad understanding on the part of all workers of the problems and pattern of the industry. . . ." (1938: 7)

Partly because of the work of the Conciliation Service, labor-management relations in the United States were at this time in a far more advanced and sophisticated stage than they had been 20 years earlier. As the Director of the Service commented:

"Years ago a labor dispute was mainly a local matter. Due to the close



Department of Labor Building in 1938, 3 years after its opening. The small magnolia trees next to the building are now over two stories high.

relationship between labor and industry and in part to the recent increase of Federal and State regulatory statutes, we are finding the plant in a small town no longer isolated and operating on a purely local basis. Today labor and management are familiar with labor conditions in other plants and in other areas. Our Commissioners, therefore, properly to handle a situation, whether in a small town or in a larger industrial center, find that facts are essential. In other words, in addition to drawing upon his experience in the field of industrial relations, a Commissioner of Conciliation must be fully cognizant of competitive conditions in the industry. In order to take full advantage of this changing trend we are endeavoring . . . to supply each Commissioner with factual data and material that will be helpful to him.

"In reviewing our work we find that the working conditions, wages, and hours of employees are more and more being embodied in written agreements. The details of these agreements are increasingly more clearly defined. Whereas formerly a typical collective agreement consisted of but a few sections, today it contains some 20 major clauses defining precisely the relationship between labor and management and the obligations each owes the other." (1938: 11)

Other institutions were also contributing to this improvement:

"The improvement in industrial relations is due to the increasing skill

and intelligence with which both employers and labor groups are conducting their negotiations and approaches to one another. The existence throughout the country of branches of the National Labor Relations Board has contributed in many instances to a stabilization of these situations, and the work of mediation carried on not only by the Federal Government but by an increasing number of state officials and city officials with understanding of the labor problem and with patience is contributing also.

"In spite of much exasperation, which has sometimes been vigorously expressed, it constantly becomes clearer that the men and women, both on the labor side and on the employer side, are becoming self-disciplined and self-educated with regard to the problem of orderly industrial relations. . . ." (1939: 7)

The emphasis in collective bargaining was also changing:

"[The evidence draws] attention to one of the most promising trends of the past few years—a trend which the Service has striven unremittingly to encourage. This is the marked shift from the former emphasis on mediation as a *remedy* to the new, growing, and more practical concept of *preventive conciliation* as a *positive instrument* of industrial peace." (1940: 18)

Disagreement in the ranks of labor on a major question of organization distressed Secretary Perkins and was something which she hoped would soon be resolved. She noted in her report:

". . . The most difficult and troublesome disputes in the past year have been those that involved both A.F. of L. and C.I.O. unions in introducing their standing differences into a dispute. In cases of this sort the employer is placed in a most unjustifiable position, and the good-will of the public toward labor is impaired.

"If the two groups cannot presently make a general peace between them they will at least have to make a truce with regard to precipitating and aggravating disputes among themselves when sound relations to an employer is [sic] imperiled. There is overwhelming evidence that the vast majority of union members of both factions want peace and desire to cooperate with each other. . . . When this behavior in the field is so well established, peace between the officers and at the top cannot be far behind." (1938: 5)

Two years later, the problem seemed no nearer resolution, though the Secretary was still hopeful:

"The fiscal year saw the divided labor movement no closer to unity or a real settlement of differences. Informal conversations, aimed at peace and initiated by the Secretary of Labor in 1938, were followed by an invitation . . . from the President for both groups to name a joint negotiating committee. . . . A number of meetings were held [but without positive result].

"However, this year has been marked by an increased inclination on the part of the unions in both groups throughout the country to cooperate on non-controversial matters and to reduce jurisdictional disputes among them. This

tendency will become more and more marked as the needs of the defense program increase." (1940: 4)

In 1941, at a major turning point in the history of the United States, the Secretary of Labor reviewed the status of the American organized labor movement:

"A great change has taken place in the status of American labor in the recent years. It is now an established practice for the Government to consult with trade unions and industrial management about matters affecting their interests in much the same way that it consults with farm groups and professional groups. The advice of labor is sought not only on questions of wages and working conditions but on the broad social problems of our national life. In fact trade unionism is today an American institution. . . .

"[But] American trade unionism, in becoming an established American institution has implicitly accepted certain definite social responsibilities, and its policies in the future must be predicated not only upon the welfare of its own members, but also on the welfare of all the people of the United States.

"Probably the National Labor Relations Act which frees labor from the fears of discrimination in employment because of membership in a trade union has done more than any other one thing to establish trade unionism firmly as an American institution. The new status is based on legal protection by statute. Labor's struggle for the right to organize, for the purpose of collective bargaining, is practically over. . . . This statutory protection gives to trade unionism an enormous prestige and a great responsibility.

"It places trade unions and the labor movement also in the same exposed position as any of the other great American private associations charged with public responsibilities; responsibilities for the welfare and improvement of circumstances of the members of the union certainly; responsibilities also for the welfare and improvement of the circumstances of all working people; responsibilities for cooperation in the development and prosperity of modern industry, responsibilities to the whole people of the United States for sound, intelligent, economic, social, political, and moral purposes, and for the selection of leaders and officers who are trusted, not only by their members but by employers, by Government, and by people of the United States. It also places upon labor responsibilities to avoid excessive action and to regard the rights of others, whether in agreement or not, considerately and punctilioiusly.

"The private affairs and activities and services, the public attitudes and the private methods of trade unions are today matters of public interest and significance. Collective bargaining procedures, strikes, trade-union functions, internal trade-union affairs and politics, become the subject of discussion in the press, on the radio, and in the open forum. . . .

"Trade unions will now be kept constantly under what we may term social surveillance as other American institutions are. . . . The American public inevitably demands of these American institutions certain standards, some

of them very old and simple. First and foremost, perhaps, the public expects its service institutions to exercise the utmost order and exemplary procedures in handling 'other people's money.' . . .

"The public expects that all labor organizations . . . will be conducted according to reasonably democratic rules. . . .

"The public expects the officers of trade unions to be chosen by the membership in the fairest and most open way. . . .

"There is another ancient and deep-rooted American belief. It is the belief in the sanctity of contracts. . . .

"The public sometimes charges labor with excessive practices. These are, I know, sometimes but the excess of zeal, but trade unions with their stability protected by law do not need to use excessive practices, which are sometimes thought a trend toward the practices of monopoly. The practice of closed memberships and high dues, combined with the closed shop, [has] been effective in securing very high wages for particular groups, but the public asks today that some of these practices be restudied by [the] trade-union movement with a view to the public welfare and to the rights and liberties of all the citizens of the United States.

"Excessive methods of picketing and demonstration, the raiding by one union crowd of the membership of another, stoppages of work due to jurisdictional disputes, boycotting of goods produced by the labor of other unions and the secondary boycott are all practices deemed by the public to be excessive and not in the public interest. . . ." (1941: 8-10)

Wages and Hours

Especially significant to the Department of Labor in 1938 was the passage of the Fair Labor Standards Act, which stipulated minimum wages and maximum hours for work on goods in interstate commerce or the production of goods therefor. The act was administered by the Secretary of Labor through an Administrator who was in charge of the Wage and Hour Division. Child labor provisions of the act were administered and enforced by the Children's Bureau. (1940: 221, *fn.*)

"The Fair Labor Standards Act," wrote the Administrator, "is based on the recognition that the existence of low living standards in any part of the Nation tends to force the spread of equally low standards throughout the Nation. The preamble to the act points out, in addition, that low living standards constitute an unfair method of competition, lead to labor disputes, and interfere with the orderly marketing of goods. Through [this] act, Congress seeks to correct and to eliminate these conditions. . . .

"The act applies only to employees engaged in commerce or in the production of goods for commerce. It was not intended to replace State activities in this field, but leaves open the opportunity for supplementary acts applying to workers engaged in purely intrastate activities." (1939: 197)

It was estimated that over 12 million workers were employed in occupations and commercial establishments covered by the act.

The objectives of the act, it was provided, were to be achieved gradually:

"... Since it was reasonable to suppose that certain traditionally low-wage industries would require a period of years in which to adjust their operations to the 40-cents and 40-hours requirements, it was provided that for the first year after the effective date of the act the minimum wage should be 25 cents an hour and the maximum workweek 44 hours. For the next 6 years the minimum wage was to be 30 cents an hour. For the second year the maximum workweek was set at 42 hours, and for the third year and thereafter 40 hours. . ." (1940: 221)

For industries able to pay higher wage minima before the allotted time, the act provided for the issuance of appropriate industry wage orders to be published by the Secretary on the recommendation of the respective industry committees.

To assist employers in an understanding of the act, the Administrator published interpretations, together with the caution, however, "that only the courts can make binding interpretations of the statute, and that employers are perfectly free to reject the Administrator's interpretations, if they choose, and incur such risks as may be involved should the courts later hold the Administrator's interpretations to have been correct." (1940: 224)

The purpose in issuing these interpretations was not to impose additional burdens on employers, but to make available information as to the applicability of the law and thus protect employers from penalties that might result from unwitting violations. Indeed, one of the Division's major functions was educational. Only where explanation and persuasion failed, did the Division engage in litigation. The Division was concerned far more with obtaining maximum compliance than with penalizing violations after they occurred. Millions of copies of pamphlets explaining the law were distributed to employers, unions, and employees; and newspaper releases and posters were employed extensively. Where violations did occur, and were not willful or flagrant, the offending employer was required to pay restitution, without further prosecution for punishment. And a discriminating system of investigation and inspection was established. (1940: 224-225)

"It has been interesting to note that employers, and especially the trade associations of manufacturers, have been much more insistent than the employees upon routine inspections. Such activity gives the complying employer the only assurances it is possible to offer that his compliance will not be penalized through underselling by competitors whose lower prices are made possible by wage rates below the minimum required by law." (1941: 146)

On the question of whether the wage-hour law should be relaxed during the defense period, Secretary Perkins said the 40-hour limitation was flexible in the sense that (1) overtime could be worked, though at premium wages, and (2) it applied to the individual and not to the establishment, which could operate continuously. She pointed out, however, that experience during the First World War had shown that production decreased with long hours. Thus she argued for continuance of the act.

Public Contracts

In view of the increase in both number and size of supply contracts let by the Government as the defense program developed, it is of interest to note the operations of the Division of Public Contracts in coming to its decisions:

"When evidence as to the minimum wages prevailing in an industry has been assembled, a hearing in the matter of prevailing wages in the subject industry is held before the Public Contracts Board. Notices of hearings are sent to all known members of the industry, to trade publications and labor unions in the field, to State officials, and to other interested parties. The public hearing affords to all interested parties full opportunity to introduce any pertinent evidence and to contradict or explain the basic wage data presented at the hearing. The Board makes findings of fact on the evidence in the record as to the wage structure in the industry, and makes recommendations as to the minimum wage prevailing in the industry.

"The Board's findings and recommendations, together with the public record, are fully reviewed before the Secretary makes the final minimum-wage decision, which then must be paid by all contractors in the industry subject to the act." (1938: 46)

As the Administrator pointed out, the policy of constant consultation with labor and management in the setting of minimum wage standards "imparts in a measure the safeguards of collective bargaining not specifically provided for in the statute by affording an opportunity for conflicting views to be expressed and reconciled before action has been taken. . . . Government must retain the final decision, of course, but that decision is more apt to be sound if it does not rest on what may theoretically seem best but on what those who will be affected by the decision feel sure, from their experience and close connection with the problem, will work." (1938: 47-48)

It was inevitable that the jurisdictions of the Public Contracts Division and the Wage-Hour Division should overlap. To resolve this the Divisions consulted with each other before giving "consideration to requiring minimum wages in an industry which has not been considered before." (1939: 37)

". . . There is almost daily checking between representatives of the two divisions to see that there is no duplication and that two sets of inspectors from the same Department do not visit the same establishment. In this way both divisions . . . can divide the work up between them and insure the maximum benefit from the work of each." (1940: 36)

When a committee appointed by the Attorney General suggested, even while commending the Division for the fairness of its procedure, that perhaps it was being overcautious and overscrupulous, the Administrator decided nevertheless to maintain his administrative procedure, such as, for example keeping separate the functions of trial examiner and trial attorney. He commented:

"The whole field of administrative law is an important one and a rapidly growing one, and the public at large will have the requisite concept in the usefulness and fairness of administrative agencies if they do not offend pres-

ent conceptions of the legal proprieties even though they may be regarded by the more advanced thinkers of today as formalities rather than substance. . . ." (1940: 39)

He nevertheless strongly favored the administrative process:

"... One of the most effective arguments for the use of the administrative technique as distinguished from the court technique in the adjudication of matters is the greater speed and efficiency and absence of technicalities which have caused the court to be so bitterly assailed by laymen." (1940: 39)

Labor Standards

The newly established Division of Labor Standards was immediately plunged into a profusion of problems.

Its major function then was to service and to work on programs initiated by the Secretary's National Conference on Labor Legislation. Held once a year, this conference, representative of State labor departments, labor unions, and other interested groups, examined and discussed the development of labor standards governing such matters as hours, wages, child labor, terms of employment, and physical working conditions. It sought particularly to improve labor legislation in the States, and wherever possible to bring about uniformity, within the limits of the particular interests of each State, along the lines of the standards so developed.

Summarizing the work of these conferences, the Secretary wrote:

"Within the last 6 years 14 States enacted minimum-wage laws; 8 States enacted the 16-year basic minimum age for employment; 8 States and the District of Columbia adopted the 8-hour day for women; and 7 States the 48-hour week or better; 2 States have passed workmen's compensation laws; 10 States adopted occupational disease compensation; 8 States have moved toward the abolition of industrial home work; 5 States have by law provided the machinery for promoting the training of apprentices under the general standards set by the Federal Committee on Apprentice Training. In six States the labor commissioners have been given the authority to accept assignment to wage claims in order to assist the workers in collecting wages from defaulting employers; nine States have reorganized and materially strengthened their agencies for administering these and other types of laws, and now have the very great advantage of Federal minimum standards on wages, hours, and child labor upon which can be built more firmly the State regulatory structure. . . .

"It would be too much to claim for these conferences all of the credit for all of this progress, but as a matter of fact all of these new laws were discussed in embryonic form in these conferences, and the agreement of the conference representatives upon the needs for such legislation as well as upon the standards and forms it should take has furnished much of the impetus required for enactment.

"The general acceptability of the labor legislation adopted in recent years is due in a great measure to the fact that in these conferences the initial pro-

posals were well thought out, realistically discussed, both as to general principle and the salient features of application. Moreover, through its standing committees, which have been set up from time to time, there has been rendered important technical service by charting specific patterns for various types of legislation, all the more valuable because the committee membership embraced practical and experienced persons who have made special studies of minimum-wage and hour legislation, wage payment laws, industrial home work, and other measures." (1938: 3-4)

A mere listing of the varied interests of the Division could not convey the extent of its coverage. The principal items, therefore, are outlined in more detail below.

Industrial Health and Safety

"This phase of the Division's work is directed toward the prevention of industrial accidents and of occupational disease, two closely related activities. In both fields the Division aids legislative committees, industrial boards, State labor commissioners, labor groups, employer associations, and Federal agencies in drawing up basic laws and codes providing for safety and health, assists in the training of inspectors for the enforcement of safety and health standards, aids in the planning and development of safety conferences, and makes literature in the general safety field widely available." (1939: 55-56)

The Division provided a training program for safety inspectors, and maintained a manual for their use. It assisted various States in the development of their safety codes, and conducted field studies in occupational diseases. Working with numerous interested groups, it prepared pamphlets and other material aids in the promotion of safety and the prevention of accidents. The Director of the Division served as secretary to the International Association of Industrial Accident Boards and Commissions (IAIABC). The Division also performed the administrative and secretarial work of the Federal Interdepartmental Safety Council, an official body established by Executive order to advise in matters pertaining to the safety and health of government employees. In general, the Division operated as a national clearinghouse on industrial health and safety.

State Labor Legislation

The description in 1938 of the Division's activities relating to State labor legislation may be used as a prototype of every year since that date. The digest of State and Federal labor legislation there referred to is published annually.

". . . the Division continued to receive many requests from State labor commissioners, labor organizations, State Governors and legislators, and others for suggestions, recommendations, and appraisals of existing labor laws, bills pending in State legislatures, and future programs. Acting on specific requests, bills were drafted, and the suggested language for State

bills prepared by the Secretary's advisory committees were adapted to local requirements; suggestions were offered, again on request, as to the inadequacies of existing labor legislation, and as to which measures might be given emphasis. In connection with these consultative and advisory services, information was compiled as to existing types of legal provisions found in the various States, as to the need for certain kinds of legislation, and as to court decisions on laws of certain types.

"All important labor bills introduced in State legislatures are analyzed. The . . . digest and progress of principal labor bills pending in State legislatures was issued . . . and is to be followed . . . by a bulletin digesting the State and Federal laws enacted [during the year]."⁶¹ (1938: 61)

At the request of organized labor, the Division also prepared, and has since revised periodically, a handbook on Federal laws and agencies.

State Labor Departments

Labor legislation is of little value unless effectively administered. The Division therefore concentrated on promoting the establishment of labor departments, or the equivalent, in all States lacking them, and on strengthening those already in existence.

Special Problems

Among some of the special problems on which the Division worked during this period were those relating to the employment of older workers, industrial homework, workmen's compensation, and migratory farm workers.

The problem as regards older workers was to determine:

" . . . what factors influence employers' decisions and judgments and are responsible for the widely prevalent unfavorable attitudes toward older workers and further to determine whether these attitudes are based on fact or mere prejudice. . . . Are older workers a greater expense to the firm in terms of workmen's compensation premiums, group life premiums, employer's contributions to company pension plans? Does efficiency decline with age? How adaptable are older workers to new jobs in related fields of work? To what extent is the problem a psychological one—that is, based upon employer beliefs rather than facts? To what extent are the attitudes of the older workers themselves a factor in the situation? . . ." (1938: 65)

The Secretary's committee investigating this problem concluded that:

"Any policy, private or governmental, which arbitrarily discriminates against employees or applicants on the basis of a fixed age is undesirable from the point of view of employees, employers, and the public as a whole, and is not justified by the findings of this committee."⁶² (1939: 53)

As regards workmen's compensation:

"The size of benefits and methods of procedure under the various State acts have become, with the passage of time, hallowed by tradition. Progress in revising the laws is therefore slow and accomplished only by continual amendments to bring them more into line with the fundamental purposes of

workmen's compensation. The National Conference on Labor Legislation has promulgated definite and detailed standards for workmen's compensation legislation." (1940: 61)

"Workmen's compensation is the oldest of our social-insurance programs, but it varies most widely from State to State. The gradual introduction of the system in one State after another over a period of years meant that workmen's compensation never had the Nation-wide publicity which has accomplished the enactment of old-age insurance and unemployment compensation. Workmen's compensation is necessarily rather technical in legal provisions and administrative procedures—sometimes more technical than it needs to be. . . ." (1940: 62)

The Division received many requests to appraise the compensation laws, help in the resolution of conflicts, prepare and present evidence regarding proposed changes in the laws, and in other ways help to improve the operation of the existing laws and to introduce legislation to improve them.

The problem of migratory agricultural labor came in for vigorous discussion at the National Conference in 1940.

"Unfair methods of recruiting labor," it was reported, "lower the migrant workers' wages and standards of living, and threaten the labor standards already built up in the areas into which they come. Farmers complained of labor stealing by contractors and row bosses.

"Housing of migratory workers and their families is pitiful. Lack of sanitary facilities and lack of medical care create a health menace both to the migrant families and to the communities in which they may be living. Children go without schooling, and many of them work in the fields.

". . . The Secretary of Labor was asked, in cooperation with other Federal agencies, to work with the States on the assembly of the necessary factual information, and to plan definite programs of action." (1940: 63)

The Division helped to conduct special conferences on this problem, collected material for presentation to congressional committees, and assisted in the preparation of bills to regulate the operation of private employment agencies and farm labor contractors.

Wage-Hour Division

It was inevitable that the Labor Standards Division, concerned with the administration of wage and hour laws in the States, should also be directly concerned with the Labor Department's administration of the newly enacted Federal wage-hour law of 1938.

". . . Because of its knowledge of the policies underlying similar State legislation and of the administrative methods found effective in the enforcement of State wage and hour laws, the [Labor Standards] Division was in a position to assist informally in the initial stages of the new administrative agency.

". . . By arrangement with the Wage and Hour Division and the Children's Bureau, the Division of Labor Standards has agreed to undertake to

assist State agencies to meet the requirements specified in the regulation. . . ." (1939: 55)

Apprenticeship

A major development in the Division of Labor Standards during the years here under review was the growth of the work done by the Federal Committee on Apprenticeship under the Federal Apprenticeship Act.

"During [1938] the staff of the Federal Committee on Apprenticeship was transferred from the Youth Administration, by congressional action, to the Division of Labor Standards. . . .

"From the beginning the [Committee] has felt that if its aims were to be achieved, its activities would have to be implemented by more concentrated attention on the problem of apprenticeship by the States. . . .

"In its capacity as a clearing house for apprenticeship, the Federal committee has distributed widely certain publications prepared for the guidance of local and national trade groups in their attempts to solve their apprenticeship problems. . . ." (1938: 63-64)

As the demands of national defense loomed larger, so the need for apprenticeship and training, especially in defense industries and occupations, became more urgent:

". . . As the program gathered momentum, many plants experienced difficulty in expanding because of lack of skilled workers and supervisors. In many cases these critical shortages prevented the plant from putting in additional shifts. But firms which had maintained or inaugurated adequate training programs some time ago found the problems of expansion much simplified." (1941: 57)

The apprenticeship staff advised on the deferment of apprentices in essential trades, and cooperated with the Training-within-Industry Section, at that time in the Office of Production Management, in setting up training programs. It was found that the existing apprenticeship committees provided an excellent established nucleus for the development of general industry training programs.

Difficulties in satisfying defense demands underscored the fact, however, that the training of skilled craftsmen takes time: "We neglected the training of skilled workers during the depression years. We are paying the cost of that failure today; so that we must now make up for lost time, as well as build for the future." (1941: 62)

In April 1942 the apprenticeship functions were transferred to the Federal Security Agency, and thence in September 1942 to the War Manpower Administration.

Child Welfare

As the fiscal year 1938 drew to a close, the third anniversary of the passage of the Social Security Act was approaching, and the Fair Labor Standards Act of 1938 had just been signed.

"... By these two measures, each of which included far-reaching provisions affecting the health and welfare of children, the responsibilities of the Children's Bureau have been extended beyond research, consultation service, and dissemination of information, to include the development with the State agencies of health, welfare, and labor of joint undertakings for the advancement of the well-being of children and youth. . ." (1938: 114)

Programs under the Social Security Act rested upon the principle of Federal aid to the States. Under the Fair Labor Standards Act they rested upon a different principle—the establishment of legally enforceable standards—but "the approach to the States in protecting children from industrial exploitation and occupational hazards will be developed on a basis not dissimilar to that underlying the administration of Federal aid." (1938: 114)

In the administration of the child labor provisions of the Fair Labor Standards Act the Bureau concentrated on the problems of age-certification, inspection, the protection of children from hazardous occupations and in industrial homework, and enforcement of the laws involved. It cooperated closely with the Wage-Hour Division and the Public Contracts Division in the Department of Labor, and with the Social Security Board. One of its most difficult avenues of exploration was in the field of child employment in agriculture.

The outbreak of war in Europe gave rise to considerable heart-searching:

"Between the time of the writing of the main body of this report and the preparation of recommendations, the long-dreaded general war in Europe has become a reality. Though we have profound faith that the children of America will be spared the terrors and tragedies of armed conflict, we know that we must prepare them to live in a world that may be hard and uncertain for years. What, then, can we do to encourage the growth in their minds and hearts of the thoughts and the courage of free citizens associated for the pursuit of common ends and the expression of common faith in the dignity and worth of man? . ." (1939: 179)

The Bureau Chief suggested the following: Save lives, prevent sickness, and promote health among mothers and children. Save more homes for children threatened by adverse home conditions. Extend educational opportunities for children. Insist on the retention of child labor standards already achieved. Strengthen services to children at all levels of government. And:

"We ourselves can live with bravery and act in the conviction that children can be prepared for the responsibilities of citizenship in a democracy dedicated to the principles of freedom and equal justice for all." (1939: 180)

In her 1940 report, the Chief submitted an interesting historical summary of "the chief events that characterized the work of the Bureau or have been closely associated with it":

"1912-15: Organization of research and informational activities; publication of Prenatal Care and Infant Care; development of cooperation with official agencies and lay groups. . . .

"1916-20: Cooperation in National defense measures, Children's Year campaign, and second White House Conference; administration, 1917-18. of the first Federal child-labor law; research activities extended; plan for public protection of maternity and infancy with Federal aid developed. . . .

"1921-29: First Federal-aid act for maternity and infancy adopted and administered by Children's Bureau, 1921-29; child-labor amendment submitted by Congress to the States; research and reporting activities extended and current statistics in certain fields developed; studies of effects of unemployment on child welfare, 1921-22; beginning of cooperation with League of Nations and International Labor Office, and continued Pan American work. . . .

"1930-34: Third White House Conference; extension of current child-welfare statistics; studies of effects of depression on children and studies of transient boys; conferences on child health and dependent children; development of Child Health Recovery Program in cooperation with Federal Emergency Relief Administration and Civil Works Administration; cooperation in developing child-labor provisions of National Recovery Administration codes. . . .

"1935-40: Administration of Federal aid for maternal and child welfare under Social Security Act; administration of child-welfare provisions of Fair Labor Standards Act of 1938; cooperation in developing National Health Program; Conference of Better Care for Mothers and Babies; fourth White House Conference; further development of research and statistical activities and of international cooperation. . . ." (1940: 126-127)

Throughout this period the infant and maternal mortality rates for the United States diminished.

In her last report before the United States was precipitated into the war, the Chief wrote:

"The activities of the Children's Bureau . . . have been based upon the premise that care of children cannot be interrupted or postponed, for in guarding their health, nurture, and happiness we are providing for the future of our own people, and the strength of our Nation. The objectives of the Children's Bureau, which have been held in common with those of many other agencies of Government and of private initiative, have been three-fold: To support in every possible way the fullest measure of protection of the health and well-being of children, wherever they may live and however immediately or remotely they may be at present affected by defense activities; (2) to help to cushion the impact upon child life of dislocations and strains associated with defense efforts; and (3) to insure the protection of children in areas of potential danger from overt attack, through adequate advance planning." (1941: 92)

Women Workers

"The Women's Bureau," wrote its Director in 1938, "has had an important part in bringing about and in acquainting the public with the very

real progress that is apparent in shorter hours of work, improved working conditions, and the acceptance of the principle of a minimum wage. That adequate wages, and equal pay for equal work, are still far from realization; that industrial accidents and disease remain uncontrolled; that household employment and agricultural labor are almost wholly unregulated; that seasonal employment, home work, lack of vocational training, are problems unsolved; that women's organization and participation in the labor movement is extremely backward; that there still are citizens who consider that married women should not be gainfully employed no matter how low the family income may be—these and others too numerous to be cited are matters pressing for attention if the Women's Bureau is to be wholly successful in its job of promoting the welfare of wage-earning women." (1938: 162)

The effects of the national defense program merely intensified dependence on the Women's Bureau as the clearinghouse for all types of information concerning employed women and their problems. However:

"Under emergency conditions women's work becomes increasingly important, and their standards of employment, in conjunction with those of men, must be guarded very closely. In a time of crisis there is always a danger that such improved conditions of employment as have been brought about will be set aside; the clamor for abrogation of all labor standards was very great during the war of 1914-18.

"If the European hostilities cause an upturn in American business, there will be a considerable demand for labor. Much of this demand will be for machine tenders, and large numbers of these will be women. Thus there will arise a condition similar to that which brought the Women's Bureau into existence, namely, an urgent necessity for the Federal Government to see that women are not exploited in the emergency. . ." (1939: 195)

As the Director pointed out, the number of women available for war production, not only to replace men called into the Service, but also to supply the necessary increase in production of war material, was "almost unlimited." (1940: 204)

". . . From various indications it is estimated that not far from 2 million women are available immediately for employment in defense industries; probably half a million others have only part-time jobs; and another large group are in jobs less skilled than those they have filled in the past." (1940: 204)

The Director therefore recommended, for immediate investigation and research, a study of the available supply of woman labor, its capacity, location, and effective use; an analysis of occupations suitable for women; co-operation with groups concerned with the training of women workers; and a study of the working conditions likely to be the most effective in obtaining maximum output from women workers. The 1940 census showed that women at that time constituted a fourth of the Nation's labor force.

The Bureau was very busy about this time, consulting with and advising industrial plants on the possibilities and requirements of women's employ-

ment. The Director was pleased to note, in 1941, that "two outstanding developments . . . for working women are, first, the marked employment increases that have occurred, both in defense industries and in other occupations, and second, the advances in women's wages that have taken place in more and more occupations." (1941: 142-143)

Labor Statistics

Continuing with his instructive report of previous years, the Commissioner of Labor Statistics recounted the problems and accomplishments of the pre-war years, 1938-41, in the following excerpts:

"... It has come to be more and more recognized that our industrial structure is closely integrated. The workers are paid wages for their work; such wages are clearly within the field of labor statistics. But the workers spend their wages—collectively, indeed, they constitute the largest part of the total consumer body. As consumers they want prices to be as low as possible. They are thus immediately and immensely concerned that industry as a whole should function efficiently, to the end that productivity should be as high as possible and that the benefits of increased productivity should be reflected in prices.

"The workers, therefore, are just as concerned as are businessmen, economists, and the public generally with knowing from day to day just how well industry is functioning. This concern is the basic justification for sound and comprehensive industrial statistics. They are necessary not only as a means of measuring industry's progress toward its proper goal but as essential to the proper guidance of the whole economic machine. . . ." (1938: 91-92)

"[During these years] there has been an enormous expansion in the use of labor statistics. It is probably no exaggeration to say that the number of persons, organizations, and agencies seriously interested in the results of the Bureau's work has increased a hundredfold during the past two decades. . . ." (1939: 85)

The Commissioner offered several reasons to explain the awakened interest in labor statistics. These included employer and union interest in wage and hour conditions, attributable to the enactment of Federal and State wage and hour laws; problems of economic welfare, intensified by the recent depression; a broadening of the concept of "labor" to include white-collar and professional workers; and public concern with prices, industrial accidents, and labor-management relations.

And then, with the acceleration of the Nation's defense program:

"As the principal Federal fact-finding agency in the field of labor, the Bureau of Labor Statistics was naturally looked to as the source for most of the desired information in the field of labor. . . ." (1940: 79)

"The main problem confronting the Bureau . . . was one of adjusting its work to meet the increasing demands for special information incident to the national defense program without interfering unduly with its regular

activities. So far as concerns the character of the work itself there was no conflict. Indeed, the experience of the past 18 months has shown that there are very few types of labor information needed in connection with the defense program which had not already been at least explored as part of the regular peacetime work of the Bureau. . . . This experience has also shown that there were practically no lines of inquiry previously carried on by the Bureau which have not been of definite service to those associated with carrying out the defense program.

"In many cases, however, the defense needs called for far more detailed data than had previously been gathered and also required a very considerable expansion. . . ." (1941: 71)

Two major contributions during this period were the completion of a nationwide study of family budgets and retail prices—essentially a cost-of-living study—and the establishment of an Occupational Outlook Service in the Bureau.

The objectives of the latter project were to determine which occupations were overcrowded, which were in need of trained workers, and which would offer the largest number of opportunities in the next 5 years. Broadly conceived, it amounted to a procedure for forecasting manpower requirements and availability. In addition, it would supply guidance information for young people preparing to enter the labor force.

"While long views of the trends of occupational opportunity must always be an essential function of the Occupational Outlook Service, the defense program . . . presented this division with pressing and immediate problems. What types of work would the millions of workers engaged on the defense program be doing? Where were they to come from? Was there need for a large training program? . . .

". . . On the one hand were agencies responsible for the prompt execution of a production program that called for tremendous increases in the production of airplanes, of naval vessels, of ordnance items, and the thousands of supplies purchased by the quartermaster. They were forced to view the need for labor 6 months, 1 year, and even 2 years hence. . . . On the other hand were millions of workers . . . with experience but without jobs. . . . These people who were seeking work saw the problems of the Nation not in terms of next year's needs but in terms of the pressing problem of their need for employment. In this difference of point of view there might have been ground for serious conflict with reference to public policy and to serious delay in the inauguration of a wise training program for national defense. . . .

". . . The background of understanding of the problem was achieved . . . by virtue of the work of the Occupational Outlook Service and other agencies. . . ." (1940: 81-82)

Pearl Harbor lay still in waiting over a year away, but the Nation was already actively engaged in preparations for a possible conflict:

"One of the most important tasks placed upon the Bureau by the various

defense activities has been the preparation of estimates as to the labor requirements incident to such activities. . . . [For] most of the defense activities it was necessary to set up a new section known as the Defense Labor Requirements unit, to carry on special inquiries in this rather new field." (1941: 82)

Among the new activities were a study of labor requirements in construction, covering both housing and shipbuilding; and a study to determine how best to allocate Government buying "in such a manner as to absorb unemployment to the utmost and at the same time to avoid overloading other areas with contracts that would create acute labor shortages and dislocations." (1941: 83) Special studies were made of labor requirements in the aircraft manufacturing and machine-tool manufacturing industries and in the shipyards.

Employment

For the first 2 years of this period the Employment Service continued in the Department of Labor. In June 1939—at that time operating over 1,600 regular offices in all States and Territories—it was transferred to the Social Security Board. It did not reappear as a bureau in the Department of Labor until 1946.

In the 6 years from the enactment of the Wagner-Peyser Act in June 1933 to the transfer of the Employment Service to the Social Security Board, the Service had made over 26 million placements in jobs. As the Secretary commented: "This function is one of the most important services to workers in complex modern industrial society." (1939: 8)

The National Reemployment Service, which had been established in 1933 primarily to register and refer workers to public works and work relief projects, was conducted on a temporary basis as a Federal function until the several States were able, using their own appropriations, to assume these functions.

By the end of 1938, the employment function had been relinquished entirely to 24 States, and within another year the reemployment program as a Federal operation had terminated. It should be noted that during the 4 years, 1934 to 1937, for which relevant statistics were reported, this service, located in almost every State, made nearly twice as many placements (some 12½ million) as did all of the then-existing State employment offices combined (7 million).

At the time of the passage of the Social Security Act, the administration of unemployment compensation was placed with the Social Security Board. The task of finding jobs for workers and workers for jobs, however, remained with the United States Employment Service. Each program was administered and financed in its own way, without any legal provision for coordination. Nevertheless, at the local level, the worker who was out of a job had to prove to the official who determined if he was eligible for unemployment compensation not only that he was unemployed, but also that he was willing

to accept other suitable employment. In other words, at the local level it was highly desirable, if not indeed necessary, that the officials with whom the worker had to deal in connection with employment and unemployment compensation should be in the same office, or at least so closely related in work and administrative direction as to have that effect.

To overcome the absence of legislative instructions regarding cooperation between the two agencies involved, the Secretary of Labor and the Social Security Board entered into an agreement of coordination by which, with respect to all matters affecting a State employment service they would act as if a single agency. (1938: 18-19) And attempts were made to adjust the problems of divergent fiscal administrations.

The gross effect of this arrangement, especially in view of the tremendous surge of applicants for unemployment compensation under the new program, was to cause an intolerable drain on the available services of the employment offices:

“Officials of the United States Employment Service and the respective State employment services have been concerned since the inception of the joint program lest the activities of local employment offices be submerged in the routine detail of benefit-claim work. A tremendous mass of claims, and consequently of new registrations for employment, was anticipated at the beginning of the benefit-paying period in each State. The number of such claims and registrations was accentuated by the business recession which developed late in 1937.

“. . . The claims load of many local offices . . . forced an almost complete cessation of regular employment-service activities and entire preoccupation with the unemployment-compensation program.” (1938: 21)

It was under these circumstances that the Employment Service was transferred to the Social Security Board, and placed under the same administrative direction as the unemployment compensation function.

Since the establishment of the Civilian Conservation Corps as a relief measure in 1933, the Employment Service had had the responsibility for the selection of the young men who were employed in it. By the time it left the Department of Labor in 1939, the Service had selected nearly 2 million for enrollment. (1938: 37)

Immigration and Naturalization

The Commissioner of Immigration and Naturalization reported in 1938:

“. . . while immigration declined sharply during the first 3 years of the present decade, due to unfavorable economic conditions in the United States, the flow of immigration in more recent years has been on the increase [and] disturbed conditions in Europe justify the anticipation of greater numbers of immigrants and fewer emigrants in the immediate future.” (1938: 96)

In the following year he called attention to “the phenomenon of a steady increase in immigration from central Europe since the German annexation of Austria in March 1938 . . . largely attributable to the pressure imposed by

certain European governments to drive into exile elements of their population uncongenial to the ruling group." (1939: 89-90)

As a result, "it was increasingly necessary to check with utmost care the travel documents of aliens whose departures from their home countries has been practically in the nature of an expulsion. In handling such cases, this Service has done its duty thoroughly and conscientiously, in strict conformity with the requirements of the law." (1940: 102)

He pointed out that the occupational characteristics of immigrants coming in at that time showed that they were in no way a serious challenge in competition with American labor and business.

In a statistical analysis, he also showed that, as a result of departures, naturalizations, and deaths, the number of aliens in the population between the years 1925 and 1938 had diminished by almost 5½ million persons, leaving an estimated total of aliens still in the country at somewhat more than 3½ million. (1939: 108-109)

Just before the end of fiscal year 1940, the Immigration and Naturalization Service was transferred, as a national defense measure, from the Department of Labor to the Department of Justice. At that time it constituted 60 percent of the Department's personnel, so the loss to the Department was substantial. It had served a splendid purpose, controlling the flow of immigrants, and serving as the nucleus for the establishment of the United States Employment Service, including its very significant farm labor branch. Despite aggravating difficulties, it had won a reputation for impartiality and understanding in the administration of the immigration laws. It had educated millions of new arrivals and recently adopted citizens in the principles of American citizenship. Many naturalized citizens looked back with both respect and appreciation to the Immigration and Naturalization Service as their first contact with the U.S. Government.

It is proper to present here a brief summary of the accomplishments of the Naturalization Service during its existence as an independent unit.

Prior to 1906 there had been no concentrated supervision of naturalization proceedings nor any centralized record of naturalizations. Frauds were consequently prevalent, and evidence of admissions, rejections, and non-application was often difficult to secure. After the establishment of a Government agency to administer the program, these defects were corrected:

"... Whether any alien has since that time made a declaration of intention or not, or been naturalized or not, and no matter in which of the 2,527 courts over the whole United States that have been or are now doing naturalizing work, the fact can be conclusively and easily proved by reference to these records. And over the proceedings themselves the Bureau of Naturalization maintains continuous scrutiny. It investigates the circumstances of each application and submits to the courts on their respective naturalization days such evidence as it is able to discover relative to the merits of cases then to be decided." (1914: 75)

The spirit underlying the purpose of naturalization was perhaps best expressed by Secretary of Labor Perkins at a crucial moment in her administrative career:

" . . . to promote the assimilation or Americanization of such foreign-born people as lawfully become permanent residents; and to demonstrate to such foreign born who, together with their families, are likely soon to become our fellow citizens, that our American institutions operate without fear or favor and in the spirit of fair play to the stranger within our gates as well as to the native born. It is out of this demonstrated capacity of our institutions that is born that confidence, that hope, that self-discipline, that admiration, which has resulted in the passionate love of country and devotion to its way of life which characterizes both native and foreign-born Americans. . . ." ¹ (1939: 220)

One very helpful service performed by the Bureau through the courts and the public school system was that of citizenship training. And the occasion of the final granting of citizenship papers was invested with appropriate ceremony:

"The public has shown an increasing interest in dignifying the proceedings admitting aliens to citizenship. Impressive ceremonies have been held in many courtrooms. In other places celebrations of admission to citizenship have been combined with public-school graduating exercises . . ." (1924: 130)

In its program to educate new citizens in the nature of American democratic processes, and to eliminate illiteracy, the Bureau received the cooperation of school authorities, social groups, and employers, many giving their services free to provide the necessary instruction. For they realized that the benefits of such instruction redounded to the benefit not only of the immigrants but of the people who lived with them as neighbors or who employed them.

Beginning in 1926, judges were empowered to designate naturalization examiners to conduct preliminary hearings of a judicial nature, whose findings and recommendations were, however, to be submitted to the court for final action. This arrangement speeded up the processing of naturalization action, and made possible more dignified admissions:

"In all of these cases the applicants appeared in the open-court sessions. Those favorably recommended were required only to take the oath of allegiance in the presence of the judge, who signed one order for the admission of the group appearing for the final action. . . . Approximately 15-minute sessions were all that were necessary to accomplish the formal admission by a judge of hundreds of applicants favorably recommended.

¹ Statement of the Secretary of Labor before the House Judiciary Committee, February 8, 1939, with reference to unsuccessful impeachment proceedings brought against her in connection with the exercise of her duties.

"... the proceedings . . . were marked by dignity and orderliness, in definite contrast to the crowding, pushing, and disorder previously prevailing in the court rooms, where a great number were to be naturalized. . . ." (1927: 115)

It is the atmosphere of good will and equality before the law which inhabits these ceremonies that makes the greatest impression in the hearts of those who have come to the United States seeking a new home.²

Summary of This Period

In her 1941 report Secretary Perkins summarized the accomplishments of the Department of Labor in connection with the Nation's defense program:

"[The Department] developed an apprentice training unit and built up the standards for assisting in the training within industry program so necessary for the upgrading of workers already in industry and for training of newcomers in the rapidly expanding industries.

"[It] brought much-needed safety engineering services to plants throughout the country. . . .

"[Standards] in the employment of women were adopted and applied by the War Department in the letting of their defense contracts in women-employing industries.

"[It estimated] in advance with great precision the number of workers of each classification needed in each month for the performance of the contracts let under the appropriations of Congress [and] made it possible to proceed in the organization of the defense industrial production [and] to bring up the labor supply in every industry and in every part of the country as it was needed. . . .

"... Renewed emphasis was placed on the prevention of strikes and stoppages of work, for prompt settlement of industrial disputes without loss of working time

"The Department prepared itself to contribute technical, economic, expert and information services . . . and to sustain these contributions continuously, which information has been largely determining in the selection of areas of available labor supply for defense plants, vocational training, stabilization of wage programs, etc.

"[It made] plans for meeting the necessities of maternal and child welfare services and nutrition services for children in the defense areas." (1941: 2-4)

In an overall comment the Secretary pointed out that:

"The expansion of staff and services in these fields of the Department . . . illustrates the value of having a nucleus of a technically trained staff at

² A short history of the Immigration and Naturalization Service is presented in "Our Immigration," pamphlet M-85, published in 1957 by the U.S. Department of Justice, Immigration and Naturalization Service.

work on basic problems, the material assembled and some of the plans thought through in advance of pressing need. Then when a critical need arises or when there is public recognition of a long standing need the job can be handled effectively without loss of time. . . ." (1941:4)

This critical need became manifest on December 7, 1941, Pearl Harbor Day.

A black and white photograph capturing a formation of World War II era fighter planes, likely F4U Corsairs, flying low over a city. The planes are dark-colored with prominent white stars on their wings. The city below is a dense cluster of buildings, some with visible smoke or fire. The sky is filled with the planes and the smoke from the ground.

WORLD WAR II

1942 - 1945

WORLD WAR II

1942-45

The Department's war reports are brief and pointed—less than 200 pages cover the four most dramatic years in the Nation's history. There was little time for discursiveness, and no place for detailed appendices.¹

Consequently, it is of more than passing interest to note frequent references to what should be done "after the war." It is true that, as a result of several reorganization steps taken shortly before Pearl Harbor, some important functions had been removed from the Department's administrative control, and what remained had a relationship more indirect than direct with war operations. The Department, nonetheless, was deeply involved in day-by-day activities of the Government—it was certainly no backwater—and was busily engaged in fulfilling its assigned role of promoting and protecting the welfare of wage earners.

Secretary Perkins told Congress a few weeks after the Pearl Harbor attack:

"Since my last report we have passed through the stages of defense activities to those of all-out war production. In these, millions of American men and women are now engaged. This industrial army, with several million more people working in industry than at any time in our history, is carrying through successfully the task of providing the materials and weapons needed by the Army and Navy on the fighting fronts. The capacity of American industry and American labor to organize quickly and effectively for this war production has been one of the most encouraging aspects of the year. The skill, the high efficiency, and great speed of American workmen has made possible a large part of this production, and the capacity of American employers and workers to cooperate in these programs is a matter of congratulation for the whole country." (1942: 1)

". . . One cannot but recall with satisfaction the fact that as a Nation we are better equipped than ever to protect our people on the home front while waging a war on many fronts. This has been brought about by (1) an effective pattern of social legislation and administration emanating from or developed from the work of this Department in recent years, beginning with systematic relief of poverty due to unemployment, old age, and dependency—disabilities from which working people suffer grievously; (2) the development of an effective national employment service necessary for war production, equally necessary in demobilization; (3) the establishment of codes of

¹ A recapitulation of its developments during the war years, however, was presented by each bureau in the Department's annual report for 1946.

fair practice, of industrial codes, of sanitation, accident prevention, and occupational disease protection, all aimed at preventing the breakdown of our working people; (4) unemployment compensation, old-age insurance, limitation of the hours of labor, minimum wage, development of methods of preventing and settling industrial disputes and the development of competent State administration of labor and social laws. All this has served to put the people of this country in a position where they can fight the war thrust upon us, not [only] with courage and vigor, but with assurance that the major social needs are a permanent concern to the whole people of the United States." (1942: 14)

A year later she wrote of the contributions made by workers:

"American labor demonstrated skill, speed, and endurance, cooperation and vision in planning work during the year. Whole industries were converted to new products with the cooperation of labor. New methods of working were introduced with the full cooperation of workers. Labor-saving devices were worked out on a large scale. Skilled labor was diluted with unskilled labor and skilled men taught the unskilled how to do a part of the work which they had learned through apprenticeship and years of experience.

"The Nation's wage earners not only worked continuously in factory, on assembly lines, in shipyards, arsenals, mines, and on the farms to help the United Nations win the war. They bought 300 millions of dollars worth of war bonds per month out of union treasuries and by individual subscription. They also made additional savings to ward off inflation and thus spare themselves and their country from the confusion of an economy in chaos. They gave 2,000,000 of their members of military age to the armed forces." (1943: 1)

The war imposed many duties on the Department of Labor, which often worked in collaboration with other agencies having a more direct involvement in the production of material:

"The Department of Labor, which is the Government agency charged by statute with the duty of promoting the welfare of the wage earners, had many new and difficult duties placed upon it by the demands of the war enterprises during the year. The technical services of the Department proved to be reliable in this emergency and were relied on by war agencies for facts and for advice in the labor and industrial field.

"The estimating of the number of persons needed in manufacturing per dollar of Government contracts, a figure needed in planning the war production program, proved to be available through the ingenuity and experience of the Bureau of Labor Statistics. Problems of retarding industrial accidents and rate of absenteeism proved largely possible of solution due to the technical knowledge and services of the Division of Labor Standards.

"The question of how to use women with effectiveness and in safety in heavy industries and for skilled production was worked out by the Women's Bureau, on the basis of long experience.

"Specialized inspection to report to various war agencies on problems nec-

essary for their planning and their check-up was intrusted to the regular inspection staff of the Wage and Hour Division, which ordinarily enforces only the Fair Labor Standards Act.

"The new emergency and infancy care program for the wives and babies of men in the armed services was turned over to the Children's Bureau for administration.

"Labor and management cooperated with the Department of Labor in all this work. Both are cooperating in the Department's efforts to increase the efficiency of labor by providing those human adjustments which are so necessary to the highest production. Continued high production levels are necessary in order to shorten the war, and all who have worked in factories and mills and shipyards know that in order to have sustained effort and sustained output, the working conditions have to be conditions which are favorable for human activity and drive." (1943: 2)

Toward the end of the war, the Department was already planning a program of reconversion. As the Secretary stated:

"The outstanding achievements of the Department during the past fiscal year are:

"1. The intensive preparatory work on postwar employment problems and postwar work standards.

"2. The prompt settlement of 80 percent of all the industrial disputes of the United States which by reducing the time element reduced the degree of interference with war and necessary civilian production.

"3. The extension to all interstate industries of the 40-cent minimum wage during the period of general high wages and by the Industry Committee method.

"4. The effective servicing of a variety of temporary war agencies, including the War Manpower Commission, the War Labor Board, the War Production Board, the Office of Price Administration.

"5. The preparation and documentation for the State Department for the San Francisco and Dumbarton Oaks meetings of United States materials relating to labor standards and labor economic problems in the world settlements.

"6. The preparation of programs for the postwar employment, working standards for women, and plans for suitable reabsorption into peacetime industries.

"The Secretary and other officers of the Department have served on a great variety of interdepartmental committees, such as Economic Stabilization Board, War Mobilization and Reconversion, Retraining and Reemployment, and the War Manpower Commission." (1945: 1)

Organization

The Department made its most useful contribution to wartime activities by cooperating with the activities of agencies more directly concerned with war production:

"The necessity of the closest cooperation between the Department of Labor, the War Manpower Commission, the War Production Board, the War Labor Board, is obvious and continuing. All of these emergency agencies have functions that impinge closely upon activities long carried on by the Department of Labor. In the Army the Service of Supply also has activities which frequently run parallel to functions regularly performed by the Department. In the Navy a considerable corps of labor advisors and labor inspectors also are faced with problems for which the Department of Labor has at least some of the answers. A conscientious effort has been made for full cooperation with all of these agencies. . . .

". . . The Department of Labor expects to be the wheel horse and to give service to these agencies which are carrying on almost on combat lines. This close cooperation has made natural the adoption of policies looking to the enlightened use of labor by the Army, Navy, and other procurement agencies. . . ." (1942: 13)

"During wartime it has been a settled policy in the Department of Labor to expand its regular functions for the aid and benefit of the temporary war agencies and in addition to make available its trained supervisory staff and facilities as a nucleus for rapid expansion in those emergency branches of the Government. This has proved economical, efficient, and plausible." (1945: 25)

Industrial Relations

In March of 1941 the President appointed a National Defense Mediation Board to act as a sort of court of appeals, accepting cases on certification from the Secretary of Labor that the Department's conciliators were not able to effect a settlement. (1941: 22) Pearl Harbor imposed a stricter reckoning with the establishment of a national board of stronger powers. The Mediation Board was disbanded and in January 1942 the President established by Executive order the War Labor Board, which took over the personnel of the Mediation Board.

Established procedures required that, if the Commissioners of Conciliation of the Department of Labor should be unable to effect a settlement, the problem would be certified to the Board by the Secretary of Labor, and the Board would make such final decision as it thought fit.

"The Department of Labor and its Conciliation Service have been working in even closer cooperation with the War Labor Board than with the Defense Mediation Board. This was made possible partly by the removal of the War Labor Board to the actual building of the Department of Labor and the assignment to the War Labor Board as liaison officers of a number of experienced Department of Labor conciliators and economists. The work of this Board has proved of great value in stabilizing industrial relations, and its functions as a court of appeal, a fact-finding agency, and an agency of arbitration, either formal or informal, when accepted by the parties to the controversy, is invaluable. . . .

"It was anticipated that many more cases would be settled through the Conciliation Service than before the War Labor Board, and this has proved to be the fact. There is, however, no rivalry, the War Labor Board being regarded by the conciliators and by the Department, and by the general public as being the agency to which an appeal can be taken when the process of negotiation between the parties with the assistance of a conciliator or a mediator have not been successful. The Board has been obliged to develop policies as cases arose and to apply these with such regularity as it can. The Conciliation Service merely assists the parties in reaching an agreement, and in seeing that there is fair treatment all around." (1942: 7)

The success of the Conciliation Service throughout the war period is reflected in the report for 1945:

"During this most intensive of all years of the war, the principles and practices of voluntary settlement of work disputes were upheld by the Conciliation Service together with a continual emphasis on free negotiations and customary methods of collective bargaining. The way was kept open for a full return to the voluntary methods of disputes settlement which constitutes one of the chief characteristics of the American economy.

"Although the number of strikes and lockouts during the past year exceeded that of any previous year, Commissioners of Conciliation did their work with such dispatch and effectiveness that time lost in this way was less than in any year for which information is available. With more work to do the Service reached maximum efficiency in the performance of duty and settled more disputes than in any other year. Eighty percent of all industrial disputes [were] settled in this way. On the preventive side, Commissioners continued to uphold their record of preventing work stoppages in 95 percent of the cases which they entered before a stoppage had occurred." (1945: 18-19)

The remarkable record of success in resolving industrial disputes during the war was in no small measure due to the influence of the leaders of organized labor, and the Secretary recognized and acknowledged their contribution:

"The trade-union movement has cooperated fully with the Government and with employers in increasing production for the war effort, in promoting the volunteering of skilled workmen for hazardous work, both at home and overseas, and in reorientation of its activities to meet the needs of full production under terms which require the full employment, full working time, not only of their own members but of people not ordinarily in the labor market. Trade unions have modified many of their long-established practices for the purpose of facilitating the entrance of new people into industry and of preventing absenteeism. Labor has generally agreed to the abolition of premium wage rates for Sundays and week ends because of the fact that absenteeism sometimes developed on the nonpremium days. Some trade unions have modified their membership requirements, relaxing their initiation fees and their dues for new or temporary members. . . . Many estab-

lished trade-union practices which were originally developed to protect members against low wages, poor working conditions, and unemployment have been set aside or modified for the duration when circumstances made it necessary.” (1942: 9)

“Union rules were laid aside in the interests of the war production program to a marked extent, under agreements among employers and labor and the Government that there would be no exploitation of those who had made the sacrifice.

“The no-strike pledge of labor leaders and no-lockout pledge of management for the duration was kept at a rate of better than 90 percent. . . . Most of the few strikes and lockouts were of short duration because responsible leadership promptly ordered those on wildcat stoppages back to work and because Government provided the machinery by which industrial disputes could be adjusted in all fairness. The leaders of the labor movement for the most part cooperated with the Conciliation Service of the Department of Labor and the National War Labor Board in bringing about settlement of differences.” (1943: 1-2)

As the Secretary commented in her 1944 report:

“Labor in the United States has a status today never before enjoyed in any nation in the world. . . .

“American trade unionism is an established American institution resting on the will of the people. . . .” (1944: 4-5)

Labor Standards

Early in the war, representatives of the major war production agencies met in committee and agreed on certain desirable standards for efficiency in war production work:

“These minimum wartime labor standards . . . reiterate the need for securing round-the-clock, 7-day week operation of plants and tools. The committee report emphasizes the urgency of meeting the production goals, but it focuses attention upon experience both in American and in European factories, which shows that the way to increase and maintain efficiency of the human factor in production is to observe the following labor standards: One scheduled day of rest in approximately every 7 days for all employees, whether production workers or supervisors; at least a 30-minute meal period in the middle of each shift; not more than an 8-hour day and a 48-hour week on most operations; and a brief vacation period.

“Disregard of these standards as shown by experience both in this war and the last, here and abroad, leads to increases in accidents, sickness, and absenteeism. Spoilage and rejections increase, output falls off. If, in the process of speeding up, machines have been ruined and workers’ health impaired, the output curve does not rise again as quickly as it fell.” (1942: 2-3)

The more specific detailing of these objectives and the reasons for recommending them are contained in the 1943 report:

"1. Weekly day of rest: One scheduled day of rest for the individual, approximately every 7 days, should be a universal and invariable rule. The 7-day workweek for individuals is injurious to health, to production, and to morale. It slows down production because of the cumulative effects of fatigue, when not broken by a period of rest and relaxation, and it leads to increased absenteeism. Only in extreme emergencies and for a limited period of time should workers or supervisors forego the weekly day of rest.

"2. Meal periods: A 30-minute meal period in midshift is desirable for men and women from the standpoint of the worker's health and from the standpoint of productivity. In occupations that involve contact with poisonous substances workers must have time to wash before eating, as an elementary health precaution.

"3. Daily and weekly hours: Daily and weekly hours of employees in war production plants should be reexamined to assure those schedules which will maintain maximum output over a long war period. Hours now worked in some plants are in excess of those which can be sustained without impairing the health and efficiency of workers and reducing the flow of production.

"When daily and weekly hours are too long the rate of production tends, after a period, to decrease, and the extra hours add little or no additional output, the quality of work may deteriorate during the whole period of work, not only during the hours of overtime; absenteeism rises sharply; the loss of time due to accidents and illnesses tends to increase. Effects upon the health and morale of the worker may be slow in appearing but are cumulative in nature. Irregular attendance disrupts the flow of production because certain operations call for a balance of trained forces. In order to conserve irreplaceable skilled and supervisory manpower, uneconomical schedules should be revised.

"When plants drawing on the same labor market compete for labor through the device of offering heavy overtime payment the resulting unrest and turnover interferes with war production. In order to stop this type of labor pirating there should be uniformity in the hours schedules of plants in the same industrial area.

"While a 40-hour week is generally accepted in peacetime there is a widespread and increasing agreement as a result of actual experience, both in this country and abroad, that for wartime production the 8-hour day and 48-hour week approximate the best working schedule for sustained efficiency in most industrial operations. While hours in excess of 48-hours per week have proved necessary in some instances due to a limited supply of supervisory and skilled manpower, there has been some tendency to continue longer schedules after sufficient opportunity has been afforded to train additional key employees.

"Plants which are now employing individual workers longer than 48-hours a week should carefully analyze their present situation with respect to

output and time lost because of absenteeism, accident, illness, and fatigue. They should reexamine the possibilities of training additional workers now, in order to lessen the need for excessive overtime during the long pull ahead. As rapidly as is feasible these plants should introduce the hours schedules that will maintain the best possible rate of production for the duration.

"4. Vacations: The policy of providing opportunity for restoration of energy of employees by a vacation period away from the job is demonstrated to be conducive to sustained production and is even more sound under emergency conditions of industry today than in peacetime. Experience demonstrates that . . . providing regular opportunities for men to have a limited period of time away from the job makes it easier to control sporadic absenteeism.

"Industry in planning vacation programs must exert the utmost ingenuity to obtain the benefits without paying an overbalancing cost in productive hours lost.

"Vacations should be staggered and spread over the longest possible period. Vacations should not be permitted to excuse any shut-down of any department of any war production plant except where such shut-down would not curtail production." (1943: 4-5)

The problem of maintaining suitable standards was one, however, which every plant would have to work out to suit its own requirements within the limits allowed by law or recommended as desirable.

Safety was a major problem in all plants:

"During this period of world conflict, increasing manpower shortages throughout the country revealed the need for meeting accelerated war output schedules with the existing work force. One tragic source of waste, of both men and materials, is work accidents.

"A glance at the country's record for 1943 shows the problem—18,000 workmen were killed, 109,700 received permanent disabilities, and 2,270,900 were injured seriously enough to lose working time. The loss represents 274,000,000 man-days of production, or a year's work by 914,000 workers.

"Consequently the Division's 'tailor-made' safety programs for war plants, designed to fit each plant's need, were aggressively pushed. . . ." (1944: 11)

Close working relationships with the States were necessary to the successful operation of the Bureau's programs. In part these were achieved through the annual conferences on State labor legislation:

"For many years," wrote the Secretary, "those interested in labor legislation and administration have recognized the desirability of a certain amount of uniformity but recommended a variety of patterns to meet the special problems of a particular State. To further this principle, I have for 12 years called annual conferences on labor legislation. . . .

"The conferences have made it possible for labor commissioners and representatives of trade union organizations from all the States to work together

to encourage public support for sound and vigorous legislative programs and to strengthen efficient administrative procedures. . . .

"A series of committees growing out of the conferences have recommended legislative and administrative standards for the States. Particular stress has been given to recommendations that labor departments should have jurisdiction, without exception, over every labor law—wages, hours, child labor, safety regulations, industrial hygiene, workmen's compensation, unemployment compensation, the regulation of private employment agencies and the operation of public employment agencies. Integration of these responsibilities within a single administrative agency is vital and adequate appropriations are fundamental." (1945: 16)

"It is important to point out that this has been essentially a State and not a Federal program, even though this Department has taken the initiative in bringing together State representatives and doing the research for the development of a program of mutual interest. The joint Federal-State program of exploration carried on by means of annual conferences on labor legislation has demonstrated the need for Federal laws in fields in which the States have no jurisdiction." (1945: 17)

Wages and Hours and Public Contracts

Wrote the Secretary in her 1942 report:

"Early in 1942 on the resignation of the Administrator of the Wage Hour Division I appointed the then Director of the Public Contracts Division to be the head of both Wage Hour and Public Contracts. The purpose in doing this was to bring about a consolidation of the two activities within the Department of Labor. An historical reason, namely that the Public Contracts Act was passed 2 years before the Wage Hour Act, had been the cause of the existence of two divisions. The preliminary work of each of these divisions being well established, the differences between the two laws clearly understood, it seemed as though the appropriate time had come to bring about the economies that were possible through consolidation, economies not only of money but of time, effort, and public understanding." (1942: 11)

And the Administrator of the combined divisions remarked:

"The problem presented the newly merged divisions was a formidable one. It was first necessary to train [inspectors in each division in the work of inspections in the other]. Simultaneously there was a constant drain of trained personnel into the armed services from both Divisions. The War Production Board was utilizing an increasing number of inspection personnel in surveys and audits while the Wage Stabilization program of the War Labor Board was soon to absorb the total efforts of half the Division's normal inspection force which was temporarily thrown into the breach until added personnel could be recruited. Altogether, by the end of the fiscal year, it was necessary to absorb almost 1,600 new inspectors. . . ." (1943: 36)

Some measure of the accomplishments of the combined divisions is reflected in the Administrator's report for the year 1944:

"Three facts stand out in regard to enforcement: A substantial increase in restitution despite the lower number of inspections; the continued high proportion of monetary violations cases where, despite prevailing high wages, there was failure to pay the minimum . . .; and the continued upward trend of child-labor violations. . . .

"In the 5 years and 9 months that the Fair Labor Standards Act had been in force through the end of the fiscal year, about \$70,000,000 in restitution of illegally withheld wages had been agreed to or ordered paid to almost 2,000,000 workers in about 90,000 establishments. . . .

"The tremendous increase in our war labor force, which has seen the employment of almost 3,000,000 children 14 through 17 years of age, has led to a marked upturn in child labor violations. . . ." (1944: 62-63)

In 1945 the minimum wage specified for workers employed in interstate commerce was automatically raised from the earlier level of 25 cents to a new level of 40 cents an hour.

The Divisions cooperated closely throughout the war with the various war production agencies, particularly the War Labor Board, the War Manpower Commission, and the Office of Price Administration.

Labor Statistics

In his war reports the Commissioner of Labor Statistics wrote:

"It is a matter of considerable pride and satisfaction that the Bureau of Labor Statistics has become one of the most useful enterprises in the whole Government. It has developed a technique of estimating and judging the hours of labor, the number of workers, the character of skills necessary and required to carry out the dollar value of each Government contract. This work has been developed over a period of 3 or 4 years in an effort to meet the Congressional demand for an occupational outlook production comparable to the agricultural crop outlook production. It does one of the most exacting and difficult techniques of economic and statistical analysis with great success. The work of this Bureau has been vital to the procurement agencies of the Government, the Army, the Navy, the War Production Board, and now to the Manpower Commission.

"Fortunately each of these agencies recognizes the unique character of the work here done and recognizes also that it is done by particular human processes, and not by machine techniques. There has been, therefore, no effort to duplicate this service in the agencies named, but rather an intensification of the desire to lean upon this service for information of this nature. This in itself has brought about a natural coordination which is satisfactory to all concerned. The Bureau of Labor Statistics has become a kind of a job shop in this character of work, taking orders from a variety of Government agencies, including the Office of Price Administration. In recent months the Selective Service of the Army and the Army's personnel have relied heavily

upon the same source in planning for the distribution of the armed forces. . . . The factual and measurement economists who have worked on this project are among the most useful men in the United States." (1942: 11)

"It is generally recognized that during the war period major nonmilitary problems include (1) industrial production and the most efficient utilization of manpower, (2) prices and price regulation, (3) the stabilization of wages on an equitable basis, and (4) the improvement of industrial relations to insure continuity of employment. The work of the Bureau was increasingly focused on supplying to Congress and to administrative agencies the basic information required for formulating and carrying out the national policies in these closely interrelated fields.

"Bearing particularly on the problems of labor demand, labor supply, and labor utilization was the work in the fields of employment statistics, labor turn-over, hours of work, accidents, absenteeism, labor productivity, incentive wage systems, industrial relations, and housing construction. Similarly the extension of the areas of price control and control of the flow of production through rationing gave increasing importance in public policy to the statistics of wholesale prices, retail prices (including rents and various services), and cost of living." (1943: 17)

"The Bureau's three-fold problem during the war [was] the maintenance of its standard statistical series, the focusing of its work on the needs of war agencies, and the planning of its work to meet reconversion and early post-war needs. . . ." (1944: 18)

Women Workers

In a war situation, in which men are shifted from their normal occupations to the armed services and the demand for additional workers for war production is urgent, the primary source of necessary labor is the supply of unemployed women:

"Women workers are the prime source of the new labor supply now demanded. . . . Women are urgently needed to make war supplies and to conduct the civilian services required to release manpower and to support the armed forces.

"This woman labor supply must be utilized in the most effective way on jobs women can do well, and under conditions known to be necessary for their best work. To assure a minimum of wasteful trial and error, war needs call for a high degree of competent advice by persons experienced in matters of woman employment. . . ." (1942: 31)

With its quarter century of experience, including service during World War I, the best informed source of information in this respect was the Women's Bureau. And this fact was fully recognized by the newly established war agencies.

Two problems of major importance were the safety and health of women workers, particularly in plants producing war material where women had

not previously been employed in significant numbers, and the fact that many women doing work equal to that of a man were not receiving wages at the same level. Many of the women workers were themselves heads of families or taking care of dependent children or older people, and many others were independently earning a living.

A particularly difficult problem was the employment of many women in this emergency work who had had no previous industrial experience, or who had been out of the labor market so long, raising families, as to be virtually inexperienced in industrial requirements.

To bring these women workers into the labor market, to train them in duties strange to them, to accommodate them in their domestic problems as housewives as well as production workers, and to insure that their needs as women workers were suitably recognized by the managements and unions to which they were related during their employment—these were problems of serious consequence, in which the Women's Bureau was best equipped to advise. The demand for the services of the Bureau specialists by all procurement agencies of the Government was acute, especially during the earlier years of the war:

“. . . the labor demands have added more than $2\frac{1}{2}$ million women to the ranks of workers in industry in this country, the total including nearly 17 million women Unforeseen problems always accompany such a rapid absorption of an enormous new labor force. The myriad ways in which the accumulated knowledge and resources of the Women's Bureau could be of use in the war production program of the Government have been keenly recognized; and with the progress of the war, calls for service of one sort or another have been increasingly numerous and pressing. . . .

“The urgent war demands for Women's Bureau work continue to focus on two major objectives:

“(1) To meet requirements for expanded labor forces: Analyses of jobs suited to women in various war industries; a consideration of the best methods for selecting women; the interesting of women in the need for their services and the kinds of work they can do; and recommendations as to means of arranging plant schedules for part-time use of women.

“(2) In response to calls for data on the best methods for utilizing a woman labor force: Obtaining and disseminating scientific data as to effects on woman workers of new techniques and new substances in industry; varying hours of work; relaxing established standards for women's work; and a multitude of particular health and safety situations to be met if women, in many cases unaccustomed to industrial surroundings, are to give maximum performance for employers unfamiliar on their part with women's job capabilities and needs.” (1943: 31–32)

Of interest was the fact that during the war the number of women members of organized labor unions greatly increased. By the end of 1945 it was estimated that there were $3\frac{1}{2}$ million women in trade unions. (1945: 22)

Child Welfare

"The problems confronting children in wartime are in general those which have caused concern in peacetime, but they are enlarged and intensified," wrote the Chief of the Children's Bureau in her 1944 report. Therefore:

"The activities of the Children's Bureau . . . have been developed with the purpose of directing all possible effort to assuring to children under wartime conditions, the nearest possible approach to normal home care, educational opportunity, and creative experience in the communities in which they live." (1944:31)

As early as March 1942 the Bureau's Commission on Children in Wartime adopted a "Children's Charter in Wartime" declaring that "children must be safeguarded—and they can be safeguarded—in the midst of this total war."

The charter called upon citizens young and old to join together "to guard children from injury in danger zones; protect children from neglect, exploitation, and undue strain in defense area; strengthen the home life of children whose parents are mobilized for war or war production; and conserve, equip, and free children of every race and creed to take their part in democracy." (1942: 28)

Initially, emphasis was placed on "the importance of deferring active recruitment of mothers of young children for war work until all other sources of labor supply were exhausted." (1942: 28)

Following its adoption of the children's charter, the commission adopted a 10-point program of State action based on the charter.

In the field of child labor, "effort has been directed toward maintaining child-labor protective measures wherever possible and toward restatement of essential principles of youth employment worked out in the light of wartime demands and youth needs." (1943: 29)

The commission therefore issued a "Statement of Policy on the Employment of Youth Under 18 Years of Age" which constitutes a national policy on the place of youth in the labor market during wartime and sets standards for their employment. It states that youth under 18 can best contribute to the war program by continuing in school and, when their services are needed, by accepting vacation and part-time employment, and sets up 10 basic safeguards to govern the employment of young Americans in industry and agriculture." (1943: 29)

The excitement and general confusion of wartime activities, however, resulted in considerable neglect of these principles. In 1944 the Director reported:

" . . . Many boys and girls between the ages of 15 and 18 years are living entirely unsupervised in places to which they have gone without their families to take employment in war industries or to be near war camps. An increase in the number of delinquency cases disposed of by juvenile courts (roughly 51 percent higher in 1943 than in 1940) . . . is an indication of the ways in

which in our war effort we have failed to meet the needs of children and young people." (1944:32)

Despite failures in this respect, much useful work was done to maintain and improve the conditions of employment of young people in wartime industries, as is reflected in the accomplishments of the Children's Bureau, the Wage-Hour Division, the Women's Bureau (concerned about standards for minors as well as women), and the Division of Labor Standards. The Children's Bureau issued several orders on the employment of children in hazardous occupations, and had great success in its annual return-to-school campaigns and in promoting the use of certificates of age as evidence that young applicants for jobs were of proper age for employment. Inspections under the Fair Labor Standards Act, planned jointly by the Children's Bureau and the Wage-Hour Division, resulted in improvement in the employment conditions of thousands of children.

International Labor Affairs

The United States became a member of the International Labor Organization in 1934, and participated actively in its proceedings. During the war, ILO headquarters were moved from Geneva to the Western Hemisphere.

At the 1941 meeting in New York City, the Secretary of Labor, who headed the United States delegation, was elected president of the ILO Conference.

"... An important resolution was proposed by the American delegation (representing labor, employers and Government). It was adopted. It seeks to assure ILO participation in the peace conference and in the planning and application of measures of reconstruction, specifically: Feeding people in need; reconstruction of devastated countries; providing and transporting the raw materials and equipment which will be needed to restore economic activity; reopen trade; resettle workers and their families; change industries over to a peacetime basis; maintain employment and raise standards of living throughout the world." (1942: 9)

The aims and purposes of the ILO had the full concurrence of the Department of Labor; namely, "that (a) labor is not a commodity; (b) freedom of expression and of association are essential to sustained progress; (c) poverty anywhere constitutes a danger to prosperity everywhere; (d) the war against want requires to be carried on with unrelenting vigor within each nation." (1944: 2)

Its objectives were to further programs among the nations of the world which would achieve "(a) maximum employment and the raising of standards of living; (b) the employment of workers in the occupations in which they can make their greatest contribution to the common well-being; (c) the provision . . . of facilities for training and the transfer of labor, including migration for employment and settlement; (d) policies in regard to wages and earnings, hours and other conditions of work calculated to insure a just share of the fruits of progress to all, and a minimum living wage . . . (e) the effective recognition of the right of collective bargaining . . . (f) the ex-

tension of social-security measures to provide a basic income . . . and comprehensive medical care; (g) adequate protection for the life and health of workers in all occupations; (h) provision for child welfare and maternity protection; (i) the provision of adequate nutrition, housing, and facilities for recreation . . . (j) the assurance of equality of educational and vocational opportunity." (1944: 2)

Reconversion Objectives

Even during the depths of the war the Secretary was giving thought to the problems of postwar reconversion, and had recommended various organizational changes involving the reabsorption of the labor functions of various war agencies.

Although these thoughts and proposals properly belong to the next chapter, they are included here as part of the war years.

The primary problem was the probable effects of peace upon employment.

"In facing the possibilities of sudden economic changes at the close of the war and the change-over from war industry to peacetime occupations, it is well to keep in mind that we have in the United States today certain preliminary preparation. We stand in a better position to take the shock of the change than ever before. We have as a matter of law and practice unemployment compensation, old-age insurance and old-age assistance for those not eligible for insurance; a maximum hours program of 40 hours which tends to include more people in whatever production and employment actually exists. We have a public works program fairly well planned, and its value as a stimulant to employment and business at the beginning of the period of decline well understood by the public. We have also a large well-experienced system of free public employment offices all over the country. We have a higher age level for the labor of young people, that is, 16 years, than ever before, and we have protection against the fall of wages to unspeakably low levels through the normal operations of the Fair Labor Standards Act." (1945: 2)

" . . . The production of war materials in a plant can be stopped in a matter of days to weeks. Building up a new line of production for peacetime markets will require weeks to months. Furthermore, even with ample job opportunities there will not be as many jobs in the heavy industries as there are today. Several million workers at least will find jobs in other industries, sometimes in other locations. When mass transfers of this kind occur, there is usually a lag between the time a man or a woman loses a job and the time he finds a new one. . . ." (1945: 5)

In these circumstances unemployment benefits should be extended under liberal provisions to all unemployed, it was believed. Young people should be urged to return to school and older workers to retire on liberal old-age retirement provisions. Many of the wives of ex-servicemen would welcome an opportunity to return to homemaking if their husbands were given veteran's preference in jobs, it was stated. And every effort should be made to maintain a national policy of full employment.

However, care should be taken to guard against efforts to exclude from the labor market groups which have earned the right to remain in it. In this connection, women provide an example:

"... We must remember that even today well over three-fifths of the women in the labor force are unmarried and that in the United States before the war it was customary and necessary for most single women to support themselves. The number of married women in the labor force is larger than it was before the war. Most of this group whose war job was their first and only job will choose to retire if their husbands have jobs. But to establish a rule after the war that married women should not be employed would work extreme hardship on that relatively small number who insist on continuing in the labor market. Before the war most married women who worked did so because they had to help support the family. We should never permit a needs test to be administered before an individual is offered a job." (1945: 6)

In the necessary work of distributing the Nation's manpower properly, the public employment service is the core. Regardless of what Department it is located in:

"... It should never again be abandoned. It should be a permanent institution in American life. It should not be buried under the function of distributing relief or compensation, but should be a vital aggressive force whose primary aim is to find workers for the jobs which are necessary, to help create work during slack periods, and to help to distribute such work as there is between the unemployed workers. It is as necessary in peacetime as in wartime and periods of full employment. It must be maintained and developed during slack periods." (1942: 10)

Among the actions which should be taken promptly after the termination of hostilities, the Secretary recommended:

"Revocation of all permits which have been issued for the employment of minors for more than 8 hours a day, or the employment of minors in ordinarily prohibited occupations.

"Revocation of all permits for the work of women beyond 8 hours and for the work of women in the graveyard shifts.

"Promote the reduction of hours of labor under the Fair Labor Standards Act to 40 hours a week to spread the work.

"[Abolish] Sunday work, holiday work, and overtime work as far as possible.

"Unfreeze labor . . . and reestablish the freedom and mobility of American labor.

"Make the U.S. Employment Service a strong and effective instrument for moving workers out of war industries and into civilian industries.

"Set up a fund which might be loaned through the U.S. Employment Service to help workers who have no funds with which to get back home, or to reach a place where there might be opportunity for employment in civilian occupations.

"Encourage the immediate retirement of those over 65 in their old-age benefits.

"Encourage the return to education of any person under 20, to school or college or vocational training institutes.

"Advise and assist women who are merely pin-money workers who came into the labor market only because of the war need to leave the labor market and make opportunity for girls who must work regularly.

"Provide for proper Government assistance for loans to businesses which can reconvert quickly for the manufacture or distribution of civilian goods for which there is a market and which will provide large employment.

"Encourage and revive the luxury, transportation, and amusement industries and trades which are healthy and good for the public judged by normal standards.

"Develop Government aid for settling certain qualified groups on the land with a scientific program of assistance in crop planning and marketing and supervision.

"Open up the planned public works in those localities where there appears to be a considerable pool of permanently resident people for whom no immediate private employment is available.

"Renew all the techniques of stabilized employment which were partly developed during the last depression, such as orders in advance; extension of rural electrification, manufacturing, Government and other capital industry orders on a regular basis, etc.

"Release the housing programs now found to be necessary and give appropriate Government assistance to private construction, as well as to public programs for housing improvements.

"Encourage normal purchasing by the public through use of war savings on a regular and systematic basis rather than speedy, reckless spending.

"Encourage purchasing of permanent consumers' goods, like refrigerators, vacuum cleaners, furniture, kitchen utensils, automobiles, necessary textiles, etc.

"Encourage cultural and recreational activities as a means of employment as well as a method of achieving a sound society and balanced economy."
(1943: 9-10)

Organizational Proposals

Planning the postwar organization of the Department of Labor, the Secretary wrote:

"I recommend after the war a consolidation in the Department of Labor of various ministerial functions having to do with labor matters which are now scattered through a variety of agencies of the Government. . . ." (1942: 14)

And in her 1945 report she outlined her specific proposals:

". . . the plan recommends the transfer of the United States Employment Service to the Department of Labor to be established with bureau autonomy.

It also expresses the opinion that while the unemployment compensation function might or might not be put in the Labor Department, it should, if placed in the Department, be established as a separate bureau and that neither the work of the Employment Service nor that of Unemployment Compensation be permitted to subordinate the other. Both have an important position. . . . The Employment Service, however, is vital to the realistic development of the Department.

"The plan also recommends the transfer of the National Labor Relations Board to the Department, but . . . the quasi-judicial and fact-finding functions . . . should remain independent and not reviewable by the Secretary of Labor or subordinate officers. . . .

". . . The plan proposed would immediately return the Apprenticeship Section of the Division of Labor Standards to the Department of Labor. Likewise and at the same time, the training-within-industry program should be included for transfer.

"I strongly urged that work of the National War Labor Board be reduced to a minimum by a general return as quickly as war conditions would permit to the system of settling labor disputes and adjusting wages through the mechanics of collective bargaining. . . .

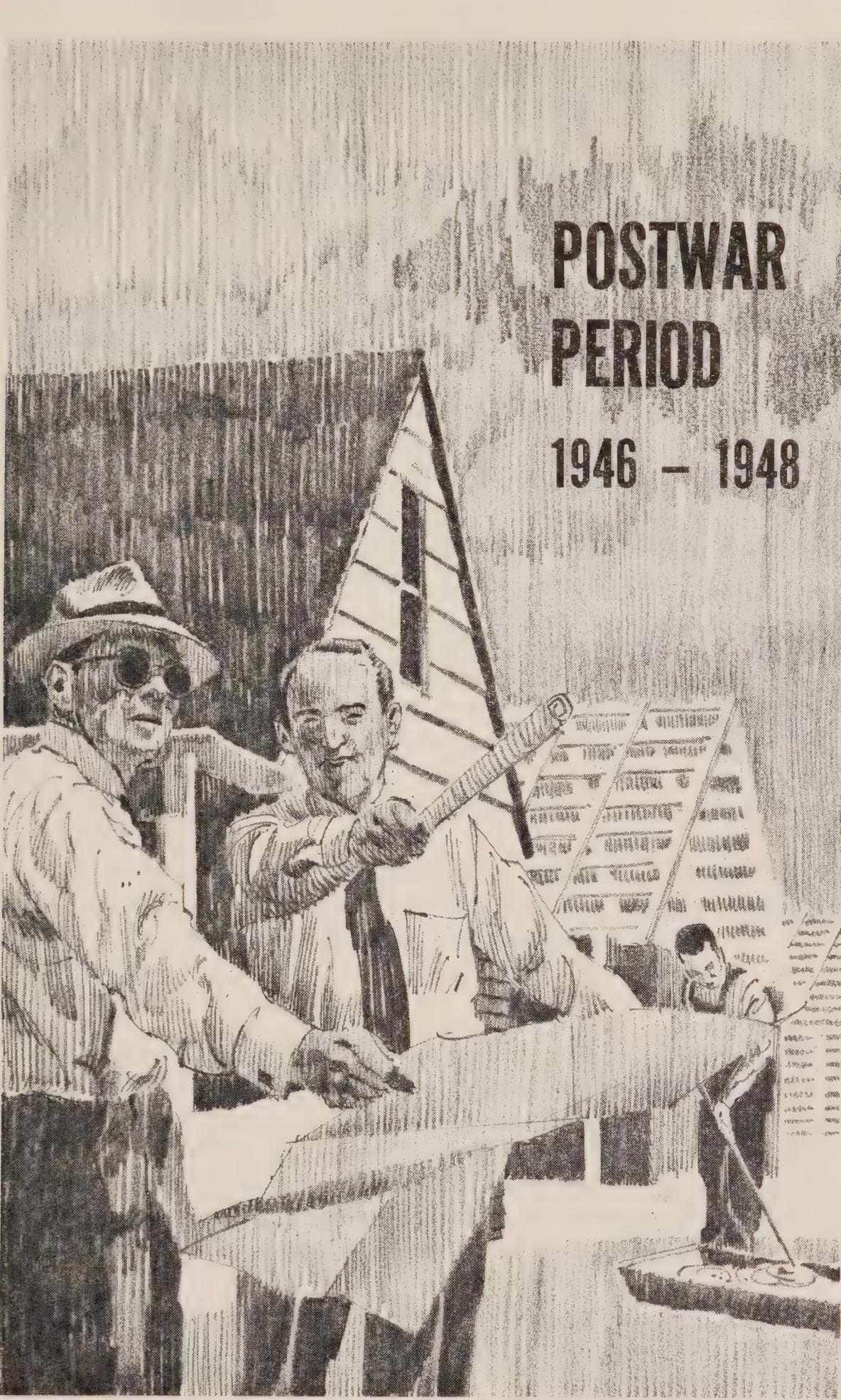
"I also suggested that such work as that of the Labor Division of the War Production Board . . . should be immediately transferred . . . mainly to be absorbed by the Division of Labor Standards and the United States Conciliation Service. . . .

"I also believe that the Labor Force Project carried on by the Bureau of the Census is a type of work which . . . could be carried on more economically and better coordinated with the work of the Bureau of Labor Statistics if it were transferred to the Department. . . .

". . . I would not include among these [transfers] the Immigration and Naturalization Service [the functions of which] have little or no relation to this Department. . . ." (1945: 28-30)

To all of which the Chief of the Children's Bureau added a note:

"It has been suggested at times that the functions of the Children's Bureau might be carried on more effectively if that Bureau were removed from the Department. I do not subscribe to that belief. Moreover, it is my conviction that once removed from the Department of Labor the functions of the Bureau would be dissipated and the Bureau disintegrated." (1945: 20)



POSTWAR PERIOD

1946 – 1948

POSTWAR PERIOD

1946-48

A shocked world learned on April 12, 1945, that the President of the United States—just a few months after election to his fourth term of office—was dead.

Death came to Franklin D. Roosevelt at Warm Springs, Ga., where he had received treatment for paralytic polio many years before.

Vice President Harry Truman had just dropped into Speaker Sam Rayburn's office in the Capitol when he heard the news. Later, as his family, members of the Cabinet and Congress, and Chief Justice Harlan Stone gathered around him, Mr. Truman was sworn into office as the 32d President of the United States.

Standing in the group was Frances Perkins, Secretary of Labor since 1933. She had served as Labor Secretary longer than any other person in history.

She was to continue in her vital post until the end of World War II, a few months later. Then she tendered her resignation and was appointed Chairman of the Civil Service Commission.

To succeed her, President Truman named a former Senate colleague, Lewis B. Schwellenbach.

Mr. Schwellenbach was faced almost immediately with the tremendous task of helping the Nation reconvert to peacetime pursuits and of readjusting the activities of his department to a less strenuous tempo.

Reorganization

During Secretary Schwellenbach's term of office, the Apprentice-Training Service was transferred from the War Manpower Commission with full bureau status. The United States Employment Service also was transferred from the War Manpower Commission. It remained in the Department until 1948, when it was transferred to the Federal Security Agency, and there combined with the unemployment compensation function to form the Bureau of Employment Security. In 1949 the combined service was transferred to the Department of Labor.

The Children's Bureau remained in the Department of Labor until 1946, when it was transferred, except for the child labor division, to the Federal Security Agency. Initially located as a branch in the Division of Labor Standards, the child labor function was later transferred to the Wage and Hour Division.

The U.S. Conciliation Service was separated from the Department of Labor in 1947, and set up as an independent agency, the Federal Mediation and Conciliation Service.

In 1947 the Bureau of Veterans' Reemployment Rights was transferred to the Department of Labor.

The following war agencies were briefly located in the Department of Labor, and were then disbanded: National Wage Stabilization Board, Shipbuilding Stabilization Committee, Wage Adjustment Board, and Retraining and Re-employment Administration.

The only bureaus that carried over from the past and continued into the future without reorganizational changes were the Bureau of Labor Statistics, the Women's Bureau, the Bureau of Labor Standards, and the Wage and Hour and Public Contracts Divisions.

In 1947 Secretary Schwellenbach established in the Department an Office of International Labor Affairs. This was part of a reorganizational step, authorized by Congress in 1946. The act also established one position as Under Secretary (corresponding in practice with the earlier position of First Assistant Secretary) and three Assistant Secretaries of Labor.

Reconversion

The major problem after the war was reconversion:

"The extent of conversion of the economy to war production suggests the magnitude of the problem of restoring the economy to a peacetime basis; but reconversion was undertaken without the unifying stimulus of an immediate external danger. Far more difficult than the physical aspects of reconversion were the problems of readjustment of the working population to a peacetime basis. These included the demobilization and reemployment of the armed forces; the shifting of millions of workers to new jobs and industries and into different areas; adjustment of wages and price policies to transitional conditions; reconciling of the conflicting ideas of workers, employers, and other groups; and the adaptation of public agencies and functions to meet the new conditions. . . ." (1946: 5)

To maintain the stability of the economy was the principal objective of the Government. In this connection Mr. Schwellenbach voiced a warning reiterating the message of his predecessors in office:

" . . . This stability must be achieved at a high level of output, and the products of industry must be equitably distributed among those who cooperate in their production. Increased emphasis should be placed on the views that the interest of the economy as a whole requires a maximum flow of income to urban and rural workers as the major consuming group for sustaining demand and full production and employment. We need a clearer understanding of the fact that farm income and the welfare of farmers is inseparably linked with the earnings and real income of city workers. . . . (1946: 12)

In some respects progress was rapid and adequate; in others it dragged:

"While the physical aspects of reconversion were virtually completed early in fiscal . . . 1947, making possible the highest level of civilian employment and production in our history, the welfare of the wage earners of the United States was vitally affected by our inability to achieve fully the economic phases of reconversion. . . .

"Within the limits of the authority granted to it by law and the extent of its facilities and personnel, the Department of Labor made significant contributions to full employment and high-level production of civilian goods, and to a wider understanding of the real impact of the price-wage relationship on our economy and on the everyday problems of the Nation's wage earners." (1947:1)

But, throughout this period, the problem persisted:

"Despite the full employment and high wages of the current postwar economy, the steep and continuing upward movement of prices through the past few years has represented serious inflationary dangers to the economy as a whole and has held down the living standards for wage earners by constantly diminishing the real value of the wage dollar.

"If this movement continues—and at the end of the fiscal year there was every indication that it would continue—not only the wages of industrial employees will be undermined but the stability of the entire economy will be threatened. . . .

"Control of the inflationary spiral continues to be a matter of paramount importance to the American people." (1948: 6)

Industrial Relations

During the war, production was maintained under a voluntary no-strike pledge agreed to by both labor and management, on the condition that labor disputes would be handled expeditiously by a tripartite agency. This function was performed by the National War Labor Board, assisted by the U.S. Conciliation Service. With the end of the war, the services of the Board terminated, and the no-work-stoppage agreement ceased to have effect:

". . . The Government, with the agreement of the majority of labor and management representatives, announced a return to free collective bargaining.

"The result was the heaviest year's work in the 33 years of the Conciliation Service. . . ." (1946: 105)

Disputes were more complex, more prolonged, and more difficult to solve than were those of the war period. Many minor disputes were settled without Government assistance of any kind. But, of those in which the Service was called in before a strike, more than 89 percent of the threatened stoppages were averted.

The Conciliation Service was reorganized and various factfinding boards were appointed. Congress gave consideration to the possibilities of legislation on labor-management relations, but with no immediate specific results.

"Under the extremely difficult transitional conditions, the Conciliation

Service, the fact-finding boards, and other agencies without compulsory powers rendered strenuous and ultimately effective service in bringing to an end the dangerous industrial conflicts of the first year of reconversion. . . ." (1946: 8)

In marked contrast to this hectic year, 1947 was characterized for the most part by peaceful negotiation:

"Perhaps the most important single factor in the resumption of more peaceful and stable relationships between labor and management, following the turbulence of the reconversion period, was the return to normal peace-time bargaining practices based on the usual processes of free collective bargaining. In this successful return to our traditional prewar system of direct negotiations between representatives of workers and employers, the Department's Conciliation Service played an important role." (1947: 5)

With the passage of the Taft-Hartley Act on June 23, 1947, the functions, personnel, and records of the U.S. Conciliation Service were transferred to a new independent agency, the Federal Mediation and Conciliation Service.¹ The Service had been a part of the Department of Labor under the supervision and direction of the Secretary of Labor for 34 years. (1947: 62)

An area in which the exercise of special stabilization functions was found necessary in the period immediately after the war was the shipbuilding industry. Formerly an agency of the War Production Board, the Shipbuilding Stabilization Committee was transferred to the Department of Labor in 1945, and was abolished at the end of fiscal 1946. It established wage rates and dealt with labor disputes.

With the termination of its activities, its chairman published the following statement at the end of his report for the year 1946:

"Stabilization is more than a set of rules imposed from the top. In its broader meaning, it is a continuing living relationship between management and labor on terms generally acceptable to both. It must rest on a mutual willingness on the part of labor and management to cooperate not only with each other, but with the Government as well in the attainment of the objectives conceived in the public interest. . . .

"The basis for cooperation between management and labor is the collective-bargaining relationship without which the pioneering venture in shipbuilding stabilization would not have been possible. Collective-bargaining agreements represent constitutional government in industrial relations. They permit orderly, democratic, and mutually responsible procedures and standards governing conditions of work. In themselves a reconciliation of conflicting interests, they foster a recognition of a larger common interest and establish a joint authority for the maintenance of industrial discipline and order derived from the consent of the governed. They afford an opportunity for every workman to seek, in an effective way, redress of a

¹ A short history of the Federal Mediation and Conciliation Service during the period 1947-57, subsequent to its establishment as an independent agency, is presented in the 10th annual report of the Director, for the fiscal year 1957.

grievance, real or fancied. In short, they are the foundation of friendly and productive industrial relations. To the Government they are an avenue for obtaining the maximum consent to the program of stabilization." (1946: 155)

Wages and Hours

Within a year after the war, the earlier interstate commerce minimum wage level of 40 cents an hour had become obsolete. The Department therefore proposed legislation to raise the level to 75 cents. It also asked that the child labor provisions of the Fair Labor Standards Act be strengthened, that coverage be extended, and that exemptions be eliminated. At the same time the Secretary took steps to terminate the exemption of certain minors and learners from the application of the Public Contracts Act that had been allowed under the stress of war conditions. In other words, the Wage-Hour and Public Contracts Divisions were back in their regular peacetime administration of the laws under which they operated, with recognition of the fact, however, that meanwhile the general level of wages in the Nation had risen considerably.

"The Fair Labor Standards Act, a twentieth century economic charter for the wage earners of America, especially for those in the lowest income groups, will have been in effect for 8 years on October 24, 1946. In those 8 years, it has come of age; it has been accepted by workers as an instrument designed to guarantee a measure of security, and as a means toward attainment of adequate, decent living standards, and by employers as a fair piece of legislation in the American tradition. In the words of President Truman, however, 'it has now become obsolete' with respect to its modest statutory minimum wage of 40 cents an hour, and it is time to revise the charter in line with present economic conditions so as to broaden the scope of the Act and afford covered workers earnings which would more nearly provide adequate clothing, shelter, and food." (1946: 196)

It was not until 1949, however, that this legislation was enacted. Meanwhile, the staff of the Divisions was cut from 2,518 at the end of fiscal 1944 to 966 in 1946, from which low it had risen to 1,123 in 1948.

Considerable adjustment in published interpretations became necessary after the enactment by Congress of the Portal-to-Portal Act. To relieve employers and the Government from potential liability in claims arising from the decision of the Supreme Court in this context, the Department had to "issue interpretations of the application of the new law to the Public Contracts Act and the Fair Labor Standards Act. For guidance of employers who may seek to rely on them, this makes necessary the reexamination of all interpretative bulletins, releases, opinion letters, and other statements, and made desirable the issuance of an over-all bulletin interpreting the Portal-to-Portal Act itself." (1947: 97)

In this way, in a somewhat dramatic instance, the Divisions demonstrated again their services to employers as well as workers.

At the beginning of fiscal 1948, all administrative functions relative to the child labor provisions of the Fair Labor Standards Act were transferred from the Bureau of Labor Standards to the Wage and Hour and Public Contracts Divisions. A special section on child labor was established, and the welfare of children received close attention:

"To extend the law's control over the evil of child labor, the Administrator urges that the act's child labor provisions be extended to apply to the employment of children in industries that engage in interstate commerce although not producing goods for interstate commerce, and that a direct prohibition be placed on the employment of under-age minors. At present, the act's provisions in this respect apply only to employment of young workers in establishments producing goods for commerce, and merely prohibit the shipment of goods produced in such establishments in violation of the child labor provisions without actually prohibiting the employment of under-age minors.

"The Administrator also recommends that the child labor provisions of the act be broadened to cover child labor in agriculture during school hours, and to cover child labor at any time on industrialized farms. Now, child labor is restricted in agriculture only when the child is legally required to attend school." (1948: 92)

The Federal war construction program, which terminated at the end of the war, was succeeded by an accelerated building program designed to meet peacetime needs. For these and other Federal projects, prevailing wage determinations were issued under the Davis-Bacon Act, administered through the operations of the Wage and Hour and Public Contracts Divisions and the Office of the Solicitor of Labor, in accordance with stabilization controls established by the Wage Adjustment Board continuing from the war years, when it was appointed by the Secretary of Labor.

Although this Board was abolished in February 1947, the argument justifying its existence and operation regarding Federal construction contracts remained applicable. The determination of prevailing rates continued to be administered under the Davis-Bacon Act by the Office of the Solicitor of Labor.

"A stabilization body for the building industry must deal with considerations affecting all of the unions in an area, whereas in the vertical type industrial union one bargaining agency represents the employees of an entire plant, as a rule, and stabilization may be effected on this inclusive basis.

"Industry in general offers continuity of employment and this factor in and of itself provides a firm foundation for the administration of stabilization principles. The construction industry, however, must depend upon migratory workers for the completion of large projects often located in remote areas and is also subject to intermittent employment due to weather conditions, delays in delivery of materials, shortages of mechanics in particular classifications causing lay-offs of workers in other classifications, and other conditions peculiar to the industry. Moreover, workers in the construction indus-

try do not enjoy the advantages of so-called fringe benefits such as vacations with pay, promotions, upgrading, or incentive pay of any kind.

"It can be seen that the problems of the construction industry under stabilization could be minimized only through the creation of a separate commission; also that the effective functioning of a wage adjustment board for this industry . . . required an adaptation of stabilization principles to existing practices in the industry. . . ." (1946: 168)

Some idea of the scope of coverage of the Davis-Bacon Act is provided in a brief statement contained in the Solicitor's report for 1947:

". . . The Federal program [after the war] involved the construction, alteration, and repair of post offices, of clinics and hospitals, of other public buildings and of research facilities relative to atomic energy, aeronautics, and agriculture; the conversion of soldiers' barracks into classrooms and dormitories in connection with the GI educational program; the reconversion of arsenals and plants to peacetime needs; the construction and repair of Federal roads and highways; the construction of levee, flood control, river and harbor improvements and reclamation projects; the construction, alteration, and repair of Coast Guard and Navy installations and of aids to air navigation. . . ." (1947: 39)

Employment

During the first year of the reconversion process:

"Unemployment remained at moderate levels . . . but the shifting of veterans back to civilian jobs and the displacement of millions of civilian war workers created grave problems of readjustment and temporary unemployment. . . .

"In general, however, both the civilian war workers whose wartime jobs disappeared and the millions of returning veterans achieved a remarkable degree of success in solving their problems of reemployment and readjustment Their success is a tribute not only to their own ingenuity and resourcefulness but also to the foresight and diligence of such agencies of Government as the United States Employment Service and the Retraining and Reemployment Administration." (1946: 5-6)

The Retraining and Reemployment Administration was established in 1944, and transferred to the Department of Labor in September 1945. At the end of fiscal year 1946 it was abolished. During its period of operation it served to coordinate the functions of the Government in restoring people to peacetime employment.

In February 1946, Congress passed the Full Employment Act in which it was stated that the declared policy of the Federal Government shall be "to use all practical means . . . to foster and promote . . . maximum employment, production, and purchasing power." To effect this objective, Congress established a Council of Economic Advisers to assist the President in preparing his annual economic report on national conditions and Federal programs affecting economic developments. It also established a Joint

Economic Committee of the two Houses to guide legislative proposals involving economic development.

The Employment Service was returned to the Department of Labor at the end of the war, after several years in the Social Security Board and the War Manpower Commission. At the time of its transfer it was administratively independent of the unemployment insurance function, which remained with the Social Security Board. Shortly thereafter:

"In a rider attached to the Department of Labor appropriation bill, Congress provided for a joint Federal-State administration of the public Employment Service after November 15, 1946. Management of the local Employment Service offices on that date reverted to direction of State government agencies.

"Organizationally, the Employment Service thus became a Federal-State system with the Federal Government responsible for the promotion and development of a Nation-wide system of local employment offices. To achieve this objective the Federal Government is obligated to establish and maintain minimum standards for State employment service operations; engage in program development for improvement of the services; obtain the best current experience of each State and make it available promptly to all States; provide technical assistance; maintain a uniform reporting system and exchange of labor market information among local offices; review and approve State plans of operation; allocate funds and audit expenditures of moneys; and evaluate State operations to determine effectiveness of performance." (1946: 163-164)

Within a year after the end of the war, the reconversion problem of employment had been virtually solved:

". . . The stream of discharged veterans, which had reached spectacularly high proportions in early 1946, had been reduced to a trickle Veterans represented the backbone of the Nation's rise to new production and employment heights. . . . [The] vast majority of the men and women who had exchanged service uniforms for civilian jobs had been absorbed into gainful employment.

"[A big] task remained to be accomplished in cementing the veterans' temporary job adjustments into permanent employment and in developing job opportunities for the approximately 2,000,000 veterans in schools or colleges or still unemployed. But the Nation . . . could look with pride upon what it had accomplished. . . ." (1947: 87-88)

In January 1948 the public employment service resumed the placement of farm workers when the Emergency Farm Supply Program of the United States Department of Agriculture was terminated. The USES farm labor program was given new impetus, providing for the organized recruitment of workers in local areas and facilitating the movement of migratory workers to farm jobs. The agreement with the Mexican Government regarding the importation of farm workers into the United States was revised.

Labor Statistics

During the war the population and the labor force had grown, experience with the products of the Bureau of Labor Statistics had established such a reputation that demands for its information services had considerably expanded, and a substantial number of new activities had been initiated. These developments suggested further growth rather than a cut. Nevertheless, by 1948 the Bureau had been cut back by Congress to its prewar size. As a result, the extent, if not the quality, of the Bureau's services during the immediate postwar years was substantially reduced.

The Bureau was responsible for maintaining records of the Nation's economic welfare, and at this time of marked change its services were in great demand. Its main contributions were in the fields of employment, wages, prices, productivity, and housing (an especially urgent problem in view of the lag in housing as a result of war neglect).

With what facilities and personnel it had, the Bureau concentrated on improving its techniques, and on the servicing of the other agencies in the Department of Labor.

It appointed two advisory committees—one representing labor interests, and another representing employer interests—on the quality of labor statistics. In addition, it took an active part in supplying data for use of the President's Council of Economic Advisers and the congressional Joint Committee on the Economic Report, established to study the Nation's economic health as indicated in the Employment Act of 1946. This act, as described by the President, had the following objectives:

"Assurance that all the facts about full employment and opportunity will be gathered periodically for the use of all."

"Assurance of stability and consistency in public policy, so that enterprises can plan better by knowing what the Government intends to do."

"Assurance that every government policy and program will be pointed to promote maximum production and employment in private enterprise."

"Assurance that priority will be given to doing those things first which stimulate normal employment most." (1946: 14)

During this period the Bureau completed a major project of several years' duration, namely, a special study of city workers' family budgets.

Labor Standards

Basically the functions of the Labor Standards Division remained "the same in peace and war as when they were established in 1934."

These functions were "to promote industrial safety and health, sound labor legislation and administration, and labor education."

As stated in the 1946 annual report, the Division served "as the Secretary's arm in maintaining harmonious Federal-State relationships, and in acting as a national clearing house of sound experience throughout the country in the fields of its activity. It worked to strengthen State labor departments,

and service labor organizations, industrial management, civic, and other groups." (1946: 116)

A problem of major significance immediately after the war was the marked increase in industrial accidents:

"[Victory] ended the wartime safety effort. Emergency safety agencies were terminated. What the experts feared began to occur. Industrial accidents started to creep up. . . .

"Although its own emergency safety staff had been dissolved, the Division of Labor Standards' reconversion job has been to forge the Government's war experience into peacetime tools to stem the rising accident toll anew. . . ." (1946: 117)

The Bureau² therefore concentrated on the promotion of safety programs among the State labor departments, "which by virtue of their day-by-day contacts with management and labor are in the best position to disseminate safety information and guidance to small employers." (1948: 71)

The national conferences on labor legislation continued as before. During the war the relaxation of labor laws rather than their repeal or amendment had been considered the wiser policy. These laws now once again became operative in full measure, and State officials were interested in meeting to exchange views and consider improved legislation. The Bureau found itself swamped with requests for information and advice on labor legislation problems.

The Bureau also sought to give point to labor legislation by encouraging the development of State labor departments adequately equipped to administer the laws and make them effective:

"The tendency toward placing the responsibility for the administration of certain laws affecting the conditions of employment in independent commissions outside the State labor departments has resulted in requests from many State labor commissioners for information about a coordinated approach to the administration of labor laws. They are particularly interested in learning the current practices in the other States."

"The Bureau has therefore placed special emphasis . . . on obtaining up-to-date information on the organization of the State agencies responsible for the enforcement of labor laws and on their administrative practices and procedures. . . ." (1948: 67)

The Bureau continued with its analysis and summarization of labor legislation as a service to State administrators and the public.

A significant development arising out of the war experience was the establishment of a branch in the Bureau "to assist unions and universities in the training and development of capable union leadership and a membership well informed in the rights and responsibilities of unionism." (1946: 126)

It was pointed out as desirable "that the union leadership be fully informed and technically trained in the principles and procedures of collective

² In 1948, with few exceptions, all operating subdivisions of the Department became known as bureaus.

bargaining as well as the many union and community problems with which they are confronted." (1946: 127)

The Bureau's role in this movement was intended to be one of "setting standards and acting as a clearing house for an exchange of information." (1946: 126) Congress appropriated a small amount for this work. Specifically, the money was to be used "to aid in the development and extension of labor education standards in cooperation with unions, universities, schools, civic groups and other agencies engaged in labor educational activities; to establish a clearing house for successful experience and methods; and to render technical assistance upon request to public and private educational institutions, unions, community programs and others . . ." (1947: 85)

However, the appropriation was not continued in subsequent years.

By congressional action the child labor program, except work on child labor legislation, was separated from the general labor standards program of the Bureau, and transferred to a newly created child labor branch of the Wage and Hour Division.

In 1948 the Secretary established a Union Registration Division in the Bureau of Labor Standards to meet the requirements of the Labor Management Relations Act concerning the filing of union financial and organizational data. The work of this division was closely coordinated with that of the National Labor Relations Board. (1949: 72-73)

Women Workers

The war brought about tremendous changes in the status of women in the Nation's labor force. With war's end, many women retired from the labor force, but also many remained. Now a larger proportion were married. Now the average age of women workers had increased. Now far more of them were in the labor market to support themselves or their dependents. (1947: 104-105) Charged with the duty of promoting the welfare of women workers, the Women's Bureau was challenged with the major problem of what was happening to women workers in the reconversion period:

" . . . Traditionally an economically disadvantaged segment of the working population, women—many of whom carried the double responsibility of job and homemaking, often unaided—have been the hardest hit by the loss of wartime wages and increased cost of living. . ." (1946: 208-209)

The first order of business for the Bureau, then, was to urge the establishment of a minimum wage level. Toward this objective it sought to establish the principle of equal pay for equal work.

" . . . The most obvious means of protecting those millions of women not covered by FLSA, conspicuously those in intrastate trade and service industries, is through a legal floor to wages." (1946: 209)

A number of States were helped to further such legislation. They were also helped in the wording of equal pay legislation, though a Federal bill having the same purpose failed to pass Congress.

"Performance by women of men's work focused attention during the war on women's rates of pay for such work. Of continuing direct concern to all working women are discriminatory pay rates not only to women performing jobs identical to those of men but also to women whose jobs though different from those of men, nevertheless contribute work of comparable or equal value. An equitable determination of the value of the job requires that the wage rate be set without reference to the sex of the worker.

"The elimination of wage inequities, among which is wage discrimination against women, is a fundamental problem confronting many industries. . . ." (1947: 109)

Closely related to labor legislation is the complex of laws affecting civil and political rights. Women's welfare is influenced "by their right to participate in the functioning of government (such as franchise, public office, jury duty, tax liability); by their special position in society arising from the family relationship (husband and wife, parent and child, responsibility for family support); and by their right to acquire, hold, and dispose of property, to make contracts of various types, and to control their individual earnings."

(1947: 112) These factors the Bureau sought to improve.

In large measure this aspect of the Bureau's work relating to women's rights tied in with its participation in the endeavors of international agencies, such as the Commission on Human Rights, the International Labor Organization, and the United Nations Commission on the Status of Women, to improve the conditions of women in all countries of the world.

At a national conference in 1948 the following recommendations were endorsed:

"Granting to women workers the opportunity for part-time work as an accepted practice.

"Consideration as a public policy of the need for grants for maternity under proper safeguards.

"Improvement of the status of household workers and the standards for their working conditions, and the provision on a dignified well-paid basis for trained women who either on a whole- or part-time basis can qualify as family workers and domestic assistants.

"Encouragement to women members to participate in the councils of union management, and allowance to women as trade-union members of full rights of membership.

"Development of security and sufficiency of income, provision for maternity leave, provisions for care of young children of working mothers, and consideration of other special problems that may confront women workers.

"Establishment of adequate standards of work under legislation providing for minimum wage, maximum hours, equal pay, and healthful conditions on the job.

"Greater participation by women in civic and political life, both local and national." (1948: 102)

Child Welfare

With the fiscal year 1946, the Children's Bureau³ completed 34 years of service in the Department of Labor. Under the Reorganization Plan of 1946, the Bureau was transferred to the Federal Security Agency, except for the Industrial Division and the Bureau's functions relating to child labor administration under the Fair Labor Standards Act. The Industrial Division was transferred in the Department of Labor to the Division of Labor Standards.

The 1946 annual report of the Chief of the Children's Bureau presents a historical summary of its work, and a plea for continuation of a coordinated program for the welfare of children and youth.

The Director ended her report of that year with these words:

"... There must be no barriers of race, color, creed, or economic status between a child and the service required for his health and full development. . ." (1946: 104)

Apprenticeship and Training

The Apprentice-Training Service, which had been transferred from the Department of Labor to the Federal Security Agency in April 1942, and thence to the War Manpower Commission in September 1942, was returned to the Department of Labor in September 1945.

Its main task during the reconversion period was to revive and strengthen the apprenticeship system in the building trades. Not only was there a serious shortage of housing, but also many of the younger veterans were seeking employment in the building trades where wages were higher than in manufacturing.

In collaboration with unions and contractor associations, ways were developed to speed up training, such as advancing credit in the apprenticeship period for related experience gained while in the armed services or at vocational school, and providing beginning apprentices, in the bricklaying trade for example, with an intensive practical course in the elements of the trade while in the first few months of training.

Standards approved by national representatives of the unions and employers associations were published for a number of trades, again chiefly in the construction industry. And programs for the promotion of apprenticeship in major industries throughout the country were developed. A system for the recording of all apprenticeship contracts and the statistical analysis of apprenticeship agreements was developed in cooperation with the State apprenticeship agencies.

³ A short history of the Children's Bureau from 1903 to 1955 is presented in "Four Decades of Action for Children," U.S. Department of Health, Education, and Welfare, Children's Bureau publication No. 358, Government Printing Office, 1956. See also "History of Federal Regulation of Child Labor," U.S. Department of Labor, Bureau of Labor Standards, Leaflet No. 5, 1959.

For the information of all agencies dealing with apprenticeship, the Federal Committee on Apprenticeship, appointed by the Secretary of Labor, published the following "criteria of apprenticeability":

"An apprenticeable occupation is one:

"1. Which customarily has been learned in a practical way through training on the job;

"2. Which is clearly identified and commonly recognized throughout the industry;

"3. Which requires 4,000 or more hours of work experience to learn;

"4. Which requires related instruction to supplement the work experience (144 hours of such instruction during each year of the apprenticeship is usually considered the minimum);

"5. Which is not merely part of an occupation already recognized as apprenticeable by the Federal Committee on Apprenticeship;

"6. Which involves the development of skill sufficiently broad to be applicable in like occupations throughout an industry, rather than of restricted application to the products of one company;

"7. Which does not fall in any of the following categories: (a) Selling, retailing, or similar occupations in the distributive field, (b) Managerial occupations, (c) Clerical occupations, (d) Professional or semiprofessional occupations (this designation covers occupations for which entrance requirements customarily include education of college level), (e) Agricultural occupations (this designation includes those engaged in the growing of crops, fruits, nuts, etc., and the raising of livestock, poultry, etc.)."

(1947: 44-45)

International Labor Affairs

The expanding role of the United States in world affairs and the ever-increasing importance of labor in the political, economic, and social life of foreign countries create conditions and problems which make expert knowledge of foreign labor affairs vitally important to the Government and the people of the United States.

These developments were reflected in the expanded international activities of the Department of Labor. In 1947 all international activities of the Department were placed under the direction of one of the newly established positions of Assistant Secretary of Labor.

"Thus there was established, within the Office of the Secretary, a small high-level staff to formulate the policies of the Department on international labor affairs, to coordinate and supervise all international activities of the various bureaus and offices of the Department, and to provide primary liaison with other agencies of the Government, the Congress, the American labor movement, and the public in general on international labor matters."

(1948: 11)

Secretary Schwellenbach appointed a Trade Union Advisory Committee on International Affairs, composed of top officials of the American Federa-

tion of Labor, the Congress of Industrial Organizations, the Railway Labor Executives' Association, and the Brotherhoods of Locomotive Engineers and Railroad Trainmen.

Advisers were supplied as needed to various international bodies interested in problems affecting labor. Delegates attended meetings of the International Labor Organization. The Department also participated in various governmental organizations in the United States dealing with foreign affairs in which labor problems were involved.

As the Secretary stated:

"A broad and firm foundation has been laid for carrying out the international responsibilities of the Department of Labor. The Congress, the Administration, the Department of Labor, and the American people are fully aware that the economic and social activities of working men and women the world over are an essential part of the life of the modern community. In a great many countries, labor exerts a strong and direct influence on domestic and international policies. The Department of Labor is that agency of the Government which has the primary responsibility for presenting to the American people, the Government, and the labor movement analyses and information concerning international labor affairs. . . ." (1947: 16)

Veterans' Reemployment Rights

Eligible veterans, reservists, persons who have enlisted or have been inducted, and persons who have been examined and rejected for military service may be entitled to reemployment rights. Generally speaking, provided they satisfy certain legal requirements, they are entitled to the job in which they were employed before they entered military service, or in which they would have been employed had they not entered the Armed Forces, or to one equal to it in seniority, status, and pay.

To determine what these rights may be, the Bureau of Veterans' Reemployment Rights was established by Congress during the war. In March 1947 the Bureau was transferred to the Department of Labor.

Although immediately after the war the main problem encountered by the Bureau was that of helping returned veterans in getting back their old jobs, toward the end of the reconversion period the nature of the problem shifted to "more complex questions of seniority, improper discharge, vacation pay, promotions, transfers, status, and hours of work." (1948: 82)

Most of the cases involved rights after reinstatement:

"The importance of these cases to veterans, employers, and labor organizations is shown by the large number of veterans who may be affected by settlement of a single case. One vacation-rights case resulted in the extension of these benefits to several hundred veterans hired by the same employer. A single case of seniority rights will often involve all union agreements in a particular industry." (1948: 82)

The Bureau sought to resolve problems through amicable settlement. In this connection it used the assistance of volunteer negotiators extensively.

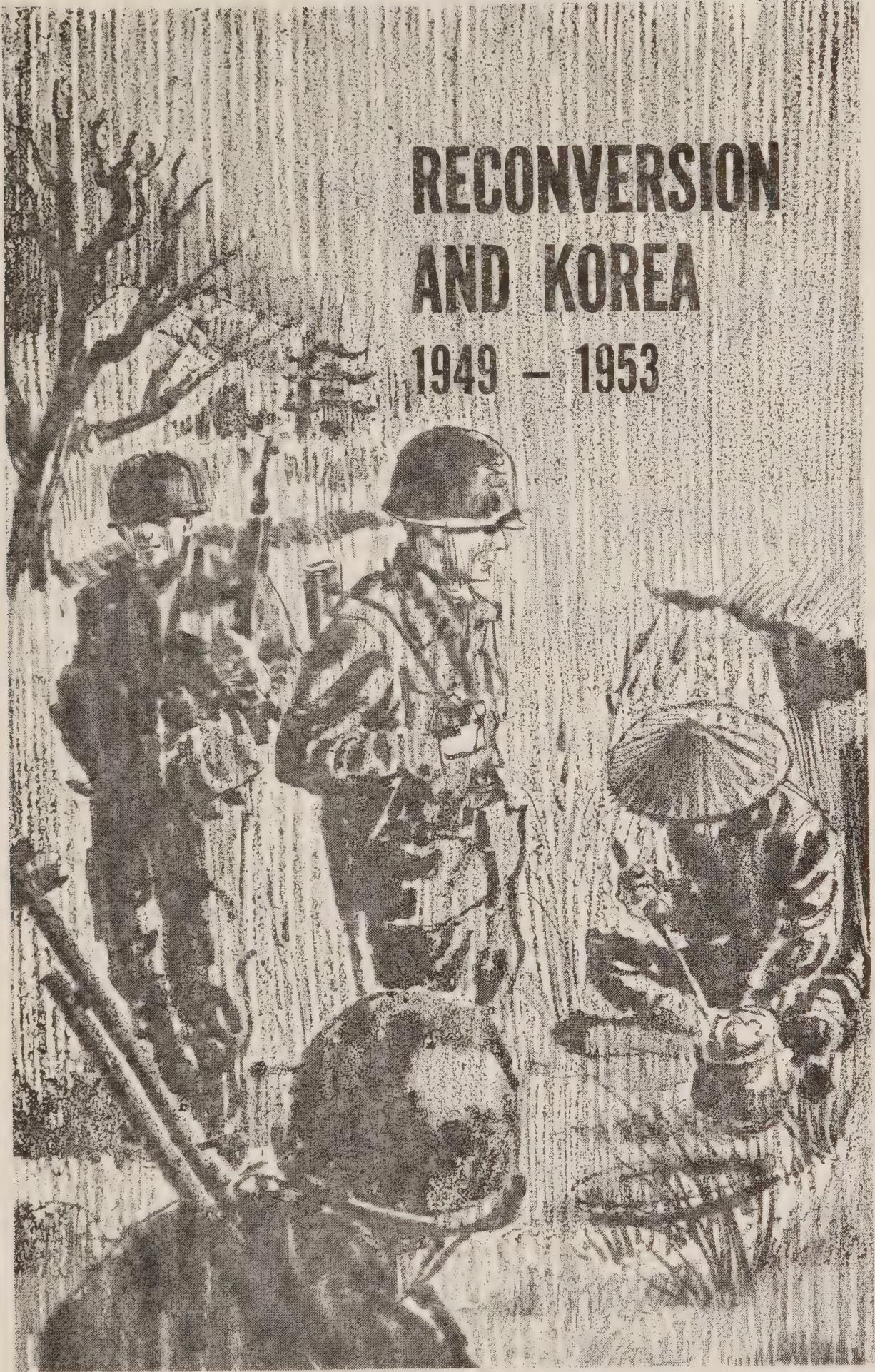
Few cases reached the courts. Question-and-answer handbooks were made available to servicemen as well as to agencies and volunteers cooperating with the Bureau. A great deal of preventive work was done through consultative service to employers and unions.

Departmental Library

Although the organic act of the Department of Labor consolidated the then existing libraries of the Bureau of Labor Statistics and the Children's Bureau, the actual consolidation did not take place until 1917, when space facilities became available. At that time the collection totaled less than 55,000 volumes. These, however, had been most carefully selected, and in many cases represented material not elsewhere available.

Within 10 years the collection had increased to over 118,000 volumes, in addition to extensive subject files of small pamphlets, circulars, and mimeographed reports. It then was receiving over 1,800 labor, statistical, and social-welfare journals from 46 different countries. With its wealth of reports of special investigations by both official and private organizations covering a wide range of problems connected with labor and child welfare, it came to be generally recognized as one of the most important collections of research material in the social and economic sciences in the country. Many acquisitions were obtained through library exchanges with other departments, private organizations, and foreign countries. It has maintained continuously the aim of being a selective library, and is of particular help to the bureaus in the Department. It is also available as a public reference library. (1927: 11)

In 1947, with the transfer of the Children's Bureau to the Social Security Administration, some 7,000 volumes were transferred out of the Department. By that time, however, the library had increased to more than 300,000 volumes, 85 cases of pamphlets, etc., and about 500 rolls of film recording foreign periodicals. The file of publications of labor organizations, going back in many instances to the formation of the union, was probably unique in its completeness. Together with other union materials it represented a detailed documentary history of the organized labor movement in the United States. (1947: 26-28)



RECONVERSION AND KOREA

1949 – 1953

RECONVERSION AND KOREA

1949-53

An anticipated postwar slump of the late forties did not come to pass. In fact, a construction and manufacturing boom started soon after wartime restrictions were lifted, and Americans soon had more than the 60 million jobs once predicted by former Vice President Henry Wallace.

In this period of national growth, the Nation was saddened by the untimely death of Secretary Schwellenbach in June 1948.

To take his place in the Cabinet, President Truman named Maurice J. Tobin, a former mayor of Boston and governor of Massachusetts, a man well-known by labor and industry alike.

Secretary Tobin's major task at the onset of his administration was one of centralizing and firming up a comparatively small departmental organization.

At the end of fiscal 1948, the Department of Labor had dropped to a total of 4,332 employees throughout the Nation—except for a period in 1940, the smallest total since before the depression.

Despite the fact that the number of its functions had increased through the depression and the war, many programs had been transferred to other departments of the Government, or had been established as separate and independent administrative organizations.

A need for a thorough review of the place and functions of the Department of Labor as a branch of the Federal executive power was indicated.

Secretary Tobin determined to rebuild the Department to a strength commensurate with its assignment from Congress. As part of his predecessor's last annual report, he wrote:

"The trend toward dispersing the labor functions of the Federal Government has been opposed by the Department of Labor as administratively unsound.

"All labor functions should, as far as practicable, be in the Department of Labor.

"The Department of Labor supported the transfer of the Children's Bureau to the Federal Security Agency in 1946 but vigorously urged . . . permanently placing the United States Employment Service in the Department of Labor and transferring to the Department the Bureau of Employment Security of the Federal Security Agency. These agencies, which assist workers

in getting jobs and employers in obtaining workers and also administer the Federal function of the unemployment compensation system, are primarily concerned with the labor force, manpower, and problems of employment.

"These are appropriately within the statutory function of the Department of Labor, and the functions of these agencies should be coordinated with other labor functions by being placed in this Department." (1948: 5)

He pointed out that the appropriations for the remaining bureaus in the Department had been cut to an alarming degree, prohibiting their continuing their regular functions:

"One of the most damaging trends in Government during the past 2 years has been the false economy practiced in cutting appropriations for carrying out the existing functions of the Department of Labor." (1948: 5)

On top of this, in July 1948, the Employment Service was transferred to the Federal Security Agency.

In February 1949 the Commission on Organization of the Executive Branch of the Government submitted a report "in which it stated that any effort to improve the organization and administration of the Government must 'create a more orderly grouping of the functions of the Government into major departments and agencies under the President.'" (1949: 7)

In a later report on the Department of Labor the Commission "spoke of the Department as having been 'steadily denuded of functions' and of the 'growing tendency to set up specialized labor services outside of the Department . . . thus causing a diffusion of labor functions throughout the Government.'" The report concluded that the Department had lost much of its significance and should have transferred to it certain agencies. (1949: 8)

Recommended for transfer to the Department were: Bureau of Employees' Compensation; Employees' Compensation Appeals Board; Bureau of Employment Security, including both United States Employment Service and Unemployment Insurance Service; Selective Service System; enforcement of labor standards in Government contracts; determination of minimum wages for seamen; Division of Industrial Hygiene; and "prevailing wage" research (to be conducted by Bureau of Labor Statistics).

The Commission made no recommendation regarding the Conciliation Service, because, as it said, the Congress "is engaged in revising labor policies which will affect" this agency. The Secretary thought, however, that it, too, should be brought back into the Department.

Within the next year, according to Secretary Tobin's report for 1950, the following transfers had been made to the Department of Labor: Bureau of Employment Security (USES and UI); Bureau of Employees' Compensation and Employees' Compensation Appeals Board; and authority to coordinate and enforce legislation on wages and hours on federally financed or assisted construction projects. (1950: 9-10)

A significant addition was the transfer to the Secretary of Labor of all functions of all other officers, employees, and agencies of the Department of Labor. This decision, under Reorganization Plan No. 6 of 1950, made all

bureau chiefs responsible directly to the Secretary. Thus, for example, positions formerly held as commissions from the President were now placed administratively under the Secretary's control. The same plan established the position of Administrative Assistant Secretary of Labor.

The Secretary urged during this year that the Department also be given jurisdiction over the establishment of wage rates for all Federal employees in the ungraded and unclassified groups.

With the outbreak of the Korean war, the center of interest shifted, so that nothing further was accomplished in reorganization during this period. Several items remained, therefore, as unfinished business.

Manpower

Apart from the rebuilding of the Department, which, from the point of view of its history, was of immediate concern, the major development during this period from 1948 to 1953 was the Korean conflict and its implications for labor in the United States.

Starting as an international police action, the conflict began in June 1950, but quickly swelled to major proportions involving the armed manpower and full war-production activities of the United States. The questions regarding manpower raised at that time have persisted in one form or another ever since, and have been directly related to the international situation.

"The new situation was imposed on an economy which, in the middle of 1950, was utilizing a great many of its resources at or near capacity. The gross national product [was] higher than at any previous time in history. Production of steel, automobiles, and houses was setting new records. Non-agricultural employment was near the all-time high for the season, and unemployment was becoming less of a problem. Consumer incomes and expenditures were also at record levels and prices of many important commodities were beginning to rise." (1950: 1)

A substantial part of the Secretary's reports for this period, therefore, reflects "the most significant manpower and other problems which our employers, our workers and their unions, and the Government have been called upon to solve in order to meet the requirements of mobilization." (1951: ix)

From the point of view of the Department of Labor, the problems were to develop the largest possible labor force, utilizing all of the skills available and providing training where needed; to keep to a minimum the loss of man-hours due to work stoppages and labor turnover; to strengthen the workers by giving them the assurance of economic security and high standards of working and living conditions; and to maintain the integrity of the United States in its fight against communism.

All manpower activities of the Department were coordinated through a single administrative head. Acting in accord with the nine major policy objectives published by the National Manpower Policy Committee of the Office of Defense Mobilization, set up by the President to plan overall mobi-

lization policies for the Nation, the Department concentrated on the manpower program for essential civilian and defense production needs.

It gave special attention to the training and use of workers having specialized skills essential to defense mobilization. It sought to create a demand for labor in labor-surplus areas through decisions affecting production, procurement, and the location of facilities and materials. The public employment offices were recruiting more people and encouraging them to transfer to jobs where they could contribute more to the defense effort. By intensive programs of recruitment, training, upgrading, and utilization, it relieved manpower shortages in critical occupations, and sought to meet the special manpower requirements of military-production industries. It stimulated programs of industrial safety and health. Statistics regarding prices and wages were made available to the stabilization boards. Numerous studies and reports were made on special manpower problems. Data for use in the Nation's international programs were in continuous preparation. In addition, considerable work was done to provide labor attachés abroad with information useful to them in countering Communist propaganda. (1952: 4-5)

Specifically, the administration and operation of the manpower mobilization program were developed on the following basic policies:

"(1) The size of the Armed Forces will be determined in accordance with requirements to meet strategic plans with full information on the manpower requirements for defense production, agriculture, civil defense, and other essential purposes.

"(2) The supply of persons possessing critical skills will be distributed among military and civilian activities in a manner which will contribute most to the mobilization program, and the relative need of the Armed Forces and of essential civilian activities will be taken into account in the recruitment of individuals, the call-up of reserves, and the induction of individuals under Selective Service.

"(3) Provision will be made for deferments from military service of a sufficient number of individuals in educational and training institutions to provide a continuing supply of professional and highly skilled manpower.

"(4) Recruitment, placement, distribution, training, and utilization of the civilian labor force will be based primarily upon voluntary measures for manpower mobilization.

"(5) Government manpower controls will be used only when and to the extent they are necessary to assure successful execution of the mobilization program.

"(6) Manpower programs will be geared to the needs and problems of specific areas.

"(7) Full use will be made of domestic manpower resources before bringing in foreign workers.

"(8) Whenever feasible, production facilities and contracts will be allocated at the sources of labor supply in preference to moving the labor supply.

"(9) The full understanding and assistance of labor organizations, employer associations, professional societies, civic and community groups, and State and local governments will be sought in carrying out manpower functions." (1951: 24-25)

As military operations quieted down after the Korean armistice talks in 1953, so the manpower program receded into the background. Some of the questions which it had raised—the need for education and training at higher levels than before; the need for recognition of the productive work capacities of older workers, women, and minority groups as part of the Nation's work force; the need for a more comprehensive program of international labor relations—these remained to be understood, explained, and developed.

International Labor Affairs

Writing before the outbreak of the Korean War, and referring to World War II, the Secretary commented on the international relations aspects of the Department's work:

"One of the most striking developments since the war has been the emergence of labor as a major political factor throughout the world. In Western Europe, for example, labor parties play major roles in many coalition governments, and in some cases there are labor governments. The importance of labor abroad politically, coupled with its tremendous social and economic significance, makes expert knowledge of foreign labor developments an essential element in the conduct of United States foreign policies. International affairs can no longer be considered as separate and distinct from domestic affairs; the two are inseparable. Domestic policies have a direct bearing on foreign affairs and conversely foreign developments affect the domestic situation. Consequently, the Department of Labor, which is responsible for the labor policies of the United States Government, is concerned with the international as well as the domestic aspects of labor affairs." (1949: 14)

Four years later, with fuller appreciation of the Communist menace, and mindful of the rapid change of recent events, he wrote:

"Today's growing appreciation of the vital significance of the labor factor in our country's foreign relations is of surprisingly recent origin. The first American labor attaché was appointed but 10 years ago. Only in 1946 was an assistant secretary appointed to assume responsibility for the international activities of the Department of Labor, and in 1947 the Office of International Labor Affairs was established.

"As this attention to labor's impact upon foreign affairs has expanded, however, so have the Department's functions and activities in international

affairs grown both in variety and scope in recent years. The persistence of the threat of Soviet-dominated international communism to free labor around the world has very naturally accented the role of the Department in providing policy advice . . ." (1953: 6)

In the Department itself, problems related to these matters were handled by the Office of International Labor Affairs, located in the Office of the Secretary of Labor. A brief but relevant description of the work of this Office was presented in the annual report for 1952:

" . . . the Labor Department, with the cooperation of other Federal Departments, prepared the official papers setting forth the United States Government's point of view for use at . . . meetings of the International Labor Organization, and arranged for the selection of worker, employer, and Government representatives to attend those meetings.

"Of recent years the United States Government has added to its foreign and diplomatic service a special group of men trained in labor problems. These are the labor attachés, assigned to many of our important embassies, who keep the United States Government informed on foreign labor situations.

"The Labor Department and the State Department worked jointly on the development of the Government's foreign labor program in the Foreign Service. . . .

"The Department of Labor keeps abreast of developments in the international trade-union activities in both the free and the Communist-dominated sections of the labor movement, and supplies information as needed by other government agencies in the United States. It also does a great deal to keep non-Communist workingmen and workingmen's organizations abroad informed on labor conditions in the United States. Some 30,000 inquiries from abroad were answered concerning labor-management and other labor problems and conditions in the United States.

"Labor experts are selected by the Department and sent abroad to advise foreign groups on such things as industrial training, productivity, labor statistics, labor law administration, and industrial safety. . . . Observers and trainees from other countries are brought into this country to learn about labor in the United States. . . . This program is carried on through the various offices and bureaus of the Department.

"The Department also participated in the achievement of a revised trade agreement . . . as part of its regular responsibilities under the Trade Agreements Act.

"In all of this work the Department has received excellent cooperation from trade unions, employers, universities, government agencies, and interested individuals in the United States.

"The Secretary of Labor is advised on international labor affairs by a committee representing the American Federation of Labor, the Congress of Industrial Organizations, and the Railroad Brotherhoods." (1952: 19-21)

Employment Security

On July 1, 1948, "a rider to an appropriation bill stripped the Department of further functions by effecting the transfer of the United States Employment Service to the Federal Security Agency." (1949: 7)

There the USES was tied administratively to the Unemployment Insurance Service, to which in operating details it is closely related. In August 1949, however, under the Government's reorganization plans, the two agencies were transferred to the Department of Labor, where they became identified as the Bureau of Employment Security.

A thorough review of their services and functions was made by the Bureau's Federal Advisory Council, a public body appointed by the Secretary to advise on matters connected with the work of this Bureau:

"... The Council reviewed the Bureau's employment service policies and programs with respect to community employment planning, veteran placement problems, the collection and use of labor-market information, employer relations and job developments, and the employment of Mexican nationals in agriculture. Its major attention, however, was directed to the consideration of the legislative proposals on unemployment insurance which had been developed by the Secretary of Labor. The Council appointed a subcommittee to make a comprehensive study of the accomplishments of the present unemployment insurance program, its purposes, and its shortcomings. The Council's conclusions . . . included recommendations for extension of coverage to employers of one or more persons, increases in the amount and duration of benefits, less severity in some disqualification provisions, better protection of and prompter payment to interstate workers, earmarking of the Federal unemployment tax collections for administrative costs and Federal assistance to States whose benefit funds run low. . . ." (1950: 113-114)

To prevent disruption of the labor market as a result of the commencement of military activities, the Secretary of Labor appealed to defense production employers to adopt the following hiring practices:

"1. Prompt consultation with the local office manager of the State employment service regarding immediate and anticipated manpower needs.

"2. Obtain from the local office manager of the State employment service all available pertinent information concerning the labor market situation.

"3. Examine manpower requirements carefully in order to assure that the numbers requested, the time needed, and the occupational specifications are realistic.

"4. Make full use of locally available manpower before taking action to recruit workers from outside the community. If outside recruitment does become necessary, the local State employment office can, through an established Nation-wide system of orderly clearance, assist in locating the workers required. However, as an aid in avoiding outside recruitment, the local State employment service office may be helpful concerning job dilution, upgrading, and in-plant training.

"5. Review carefully with the local office manager of the State employment service the manpower situation before undertaking advertising for purposes of recruitment of workers. In the event that advertising becomes necessary, it is urged that such action be coordinated with the activities of the local State employment service office." (1951: 31-32)

The Secretary also urged that "the following disruptive hiring practices" be avoided:

"1. Hiring workers from outside the community before full use is made of locally qualified and available manpower.

"2. Pirating workers from other essential activities.

"3. Advertising indiscriminately for manpower.

"4. Establishing specifications for workers which are higher than the minimum requirements of the work.

"5. Hiring a greater number of workers than needed or than can be readily absorbed within a reasonable period of time." (1951: 32)

The Federal-State system of public employment service was overhauled and strengthened to meet the needs of the emergency. The staff of the Federal office was substantially increased.

One of the Bureau's biggest problems at this time was providing employment services for veterans. In 1950 there were over 19 million veterans, of whom 15 million were from World War II. During the year nearly 2 million applied to the public employment service for help in finding jobs, and about 1.2 million veteran placements were made. Special attention was given disabled veterans; the Veterans Employment Service of the USES cooperated with the President's Committee on Employment of the Physically Handicapped and the rehabilitation service of the Office of Education. (1950: 121)

Farm placement was another major activity, requiring special services. During 1950, nearly 9 million farm placements were reported.

"Special programs to encourage optimum utilization of our migratory labor force of several million persons were reemphasized throughout this period. Interstate information stations were operated seasonally at strategic locations on principal highways commonly traveled by these workers as they move between crop-production areas. . . .

"The system for exchanging timely and accurate crop and labor market information between States and production areas through use of bulletins and wire communications was improved. . . ." (1950: 122-123)

Labor Statistics

One of the toughest problems faced by the Government during the defense period following the outbreak of the Korean War, and during the subsequent period when war tension was relaxed, was the problem of stabilization: the stabilization of manpower, the stabilization of wages, the stabilization of prices, and of rents. In this work, in which, before enforcement could

proceed, the facts of the case were needed, the Bureau of Labor Statistics played an important part.

"Facts bearing on the stabilization of prices and wages have received more than usual attention. Many special tabulations and reports were prepared for the use of the Office of Price Stabilization in setting price ceilings and developing material pricing policies. . . .

"Regional Wage Stabilization Boards were provided with information concerning the probable effects of proposed wage increases and fringe benefits, and of wage determinations on special manpower recruitment problems. . . .

"As part of the defense program, the Department prepared numerous labor-statistics reports on the Nation's manpower requirements and supply, with special reference to critical occupations and industries. . . .

"Manpower estimates of various kinds were provided at the request of the Defense Manpower Administration, the Selective Service, the National Production Authority, the Joint Committee on the Economic Report, the National Security Resources Board, and the Wage Stabilization Board. . . ." (1952: 6-7)

Even after controls were relaxed the Bureau was kept busy:

"Although expiration of controls affected the volume of special work performed by the Bureau, defense and mobilization agencies and the Economic Adviser to the President continued to make extensive use of the Bureau's fact-finding services, particularly those relating to prices, wages, employment, and productivity. . . ." (1953: 57)

Among the several new projects undertaken by the Bureau during this period, mention should be made of the considerable expansion and improvement of the continuous study of construction statistics, a substantial revision of the Consumer Price Index, and a more precise and extensive study of productivity, with special development of interindustry relations in the use of labor and materials.

Wages and Hours

In October 1949 the President signed the first major amendment to the Fair Labor Standards Act. This involved major changes in the act. As the annual report stated:

". . . In many respects, the changes in the law are as significant as the provisions of the original law itself. The interpretative, regulatory, policy, procedural, administrative, and operational aspects of the amendments are . . . far-reaching. . . ." (1950: 193)

The changes increased the statutory minimum wage to 75 cents an hour, strengthened the child-labor provisions, authorized the Department of Labor to supervise wage payments and to sue in behalf of employees in case of default, and clarified the overtime provisions. The changes made necessary certain adjustments in the Department's program and increased the workload.

The rise in prices during the Korean war period made this advance in

the Federal minimum wage necessary. It also increased tremendously the number of supply contracts with the Federal Government, and so increased the amount of work needed in the administration of the Walsh-Healey Public Contracts Act:

"As more and more of the Nation's producers undertake the supplying of Federal Government needs, the importance of the Walsh-Healey Act will increase. Firms that had discontinued work for the Government after World War II will again have employees within the act's protection as they resume production for Federal agencies. Other plants that have never supplied the Government, including many new firms, will find it necessary for the first time to observe the act's labor standards, if they want to obtain awards of contracts." (1950: 257)

Labor Standards

With the onset of the Korean conflict, the Department published a policy statement on standards, which was recommended by a conference of State labor commissioners, to the effect that "there be no general relaxation of labor standards for the mobilization emergency. . . . If the time comes when the national defense clearly requires some modification of labor standards, such should be permitted only under careful safeguards and for temporary periods." (1951: 62)

The policy statement covered the following fields: "Overtime pay, hours for maximum production, agricultural manpower, relaxation of labor laws, employment of school-age youth, child labor on military installations, and employment of the physically handicapped." (1952: 70)

To promote industrial safety, the Department planned and coordinated the activities of the President's Conference on Industrial Safety, a conference which has been held every 2 years since.

". . . Out of this conference, the first such assembly ever convened, came a 'call to action' by the States to hold similar Governors' conferences on industrial safety, to review and adapt the national program for application to the workplaces of the land. For participants at the President's meeting recognized not only the legal responsibility but the greater opportunity of the States to reach the thousands of smaller establishments where at least 70 percent of all work accidents occur. . . ." (1949: 60)

Transferred from the Wage and Hour and Public Contracts Divisions by the Secretary of Labor under authorization from Congress, the child labor research and youth employment programs were returned to the Bureau of Labor Standards in 1950. Enforcement of the child labor provisions of the Fair Labor Standards Act, however, remained in the Wage and Hour and Public Contracts Divisions. (1950: 149)

"The Bureau of Labor Standards' program of service to children and young workers has two aims. It seeks to keep children from being employed at too young an age, in unsuitable jobs, or in jobs with bad working conditions. It searches for ways to improve the opportunities of youth

for suitable employment when they are old enough and ready for work. . . ." (1950: 155)

A problem faced by the Department at about this time was the fact that "young men are being rejected by some employers because they may be liable for military service within a short period of time. Yet most high-school graduates are likely to have 6 months to a year or more before being called to service." (1951: 41)

A related problem, but the obverse of the above, was that during World War II "large numbers of youths 16 and 17 years old—of legal working age but still of school age—dropped out of school to take war production jobs. The number of youths under 18 dropping out of school again increased very rapidly during the period since Korea. The work of boys and girls under 18 is too often detrimental to their health and education and wasteful both in effective manpower utilization and in loss of training to prepare them for future responsibilities and service." (1951: 42)

The Department had long advocated legislation to establish in the Department a federally assisted labor extension program, but the proposal failed of congressional acceptance. As the Department recommended:

"Under a soundly conceived labor extension program, the instruction and discussions would be related to the experience of the workers themselves and would be developed in simple and practical terms which would have meaning for them. Workers would learn to meet the problems which constantly face them in their every-day lives, in their jobs, their unions, and their communities. Under such a program, they could receive training in basic labor law, trade-union methods, contract negotiations, the handling of grievances, parliamentary procedures, economics, and public speaking. Harmonious collective bargaining would be promoted by a study of successful agreements and their operation in various industries. More responsible and democratic labor organizations would result from a better informed membership with sufficient knowledge to prevent subversive elements from seizing control." (1949: 7)

The Department also urged expanded rehabilitation services for the physically handicapped to help restore them to gainful employment.

Working closely with State labor departments, the Bureau continued to formulate desirable legislative and administrative standards:

"One advantage of the 50-odd systems of labor law in the Nation is that each State and Territory acts as a laboratory for new ideas in labor legislation and administration. In the light of tested State experience, a basic function of the Bureau is to serve as a national resource for technical information on all aspects of labor law and administrative procedures, to review changing developments in the regulation and improvement of working conditions, to develop improved standards for legislation and regulation, and to give advisory services to State labor departments and other groups interested in improvement of labor standards and administration. The Bureau also strengthens cooperative Federal-State relationships and works with the States

in the implementation of international standards through State action." (1949: 64)

At the end of this period, the three topics of major concern to the annual conference on labor legislation were: strengthening State labor departments, State minimum wage legislation, and State service to migratory workers. (1953: 49)

Women Workers

In her report for 1949 the Director of the Women's Bureau pointed out the changes in women's status as workers during the history of the Bureau, and problems still in need of correction:

"The number of women who work has more than doubled since Congress established the Women's Bureau 30 years ago. The broad, general problems—economic and social—originally associated with their employment have developed into problems of much greater complexity. These women are now almost a third of the workers in the United States....

"New, or at any rate greatly accentuated, social and economic problems are presented in this country by the fact that almost half of the women workers now are married women. . . .

"Perhaps even more significant to the welfare of the Nation are the effects of so great a number of married women in employment on the growth and health of the population....

"Urgent also are the problems of the older women workers, accentuated by the aging of the general population, by the greater life expectancy of women than of men, and by the fact that the services of older women are often dispensed with in periods of employment stress.

"The problems cited above . . . are unique to women, and revolve about the fact that women are newer to industry than men, have less assured status in it, and have the dual function of workers and of maternity and care of the home. . . ." (1949: 97-98)

Under the impact of the Korean War, the Bureau urged increasing opportunities for housewives in part-time employment, the employment of women in higher level jobs, equal pay for women, improvement of minimum wage laws in the States, and the training and employment of older women.

Although several States reported improved legislation during this period, the Federal Government did not enact legislation affecting the standards of women particularly, regardless of the fact that a great many bills relating to one or another aspect of women's employment and status were introduced.

Worker Training

With the shift in emphasis to problems of national defense, the Bureau of Apprenticeship concentrated, though not exclusively, on "the training of apprentices in trades and industries which would directly support the security program. Therefore, the construction industry no longer was given priority

of attention Previously priority had been given to the building trades because of the acute shortage of skilled workers and the emphasis on the housing program." (1949: 49)

The major industrial fields in which training programs were needed were: textiles, machine tools, air transport, railroads, foundries, construction, graphic arts, and automotive service.

The problem involved more than apprentices, essential as they were for the future performance of skilled work. There was a demand for workers of all kinds:

"Large numbers of workers who shift from nondefense to defense production will of course continue to work at the same machines and on the same product. Others, while turning out a different product, will be working at the same machine and will require little or no training. Also, many skilled men, while actually shifting jobs, will be performing the same type of work and will require only minor training if any. But the majority of those shifting to defense jobs and those who enter the labor force anew will require some or considerable training. Older persons and some women may return to the same types of jobs they once pursued, but even these may need some refreshing of their skills to get adjusted to the technological changes that have occurred in the interim." (1951: 49)

Most of this kind of training would have to be given on the job. The Bureau therefore developed a program of help to employers in establishing suitable in-plant training.

". . . This includes analysis of the training requirements, taking into consideration the labor market conditions, past recruitment experience, and the requirements for additional personnel as they relate to the training needs of the plant. It assists employers in the specific types of training needed to meet operating conditions of the plant and in securing the support of workers and supervisors for the training program." (1951: 50)

The Bureau itself did no training:

"[In] cooperation with State and other Federal agencies, it encourages employers and labor to set up training programs, helps them to analyze their training problems, and shows how training is done elsewhere. Where labor unions are involved, the field staff assists in the negotiation of agreements between management and labor so that sound training programs may be conducted in accordance with objectives satisfactory to both of them.

"The Department's promotional activities and technical service are limited to the training of employed persons in the job aspects of their work. Training activities do not embrace unemployed persons, or cover the instruction of employed persons in subjects related to the job. . . ." (1952: 12)

Consistently, whether or not under the drive of a national emergency, the Bureau sought to convince both labor and management "that training is an industrial function which should receive adequate supervision and direction, and that only in this way can training be assured the attention and expertness of handling that it deserves." (1953: 26)

Reemployment Rights

The Bureau of Veterans' Reemployment Rights had been transferred to the Department of Labor in 1947. It consisted then of 44 persons, and made use of the services of almost a thousand volunteer cooperating representatives.

"The reemployment-rights program is an industrial-relations activity which has been, and continues to be, an important factor in the readjustment of ex-servicemen in their civilian occupations. Because of the wide occupational range of ex-servicemen, their reemployment has required this Bureau to be concerned with almost every phase of economic life as it relates to employment, including the personnel customs and practices of business and the professions, and the collective bargaining process between management and labor.

"Reemployment rights involve more than the simple reinstatement of ex-servicemen in their old jobs. They include certain benefits to which veterans may be entitled after reinstatement, such as seniority, working conditions, promotions, pay increases, vacations, bonuses, insurance, and other benefits." (1949: 79)

The policy of the Bureau was to invite compliance with the laws involved, without recourse to litigation:

"Through a program of education and information, the Bureau has sought to acquaint employers with their obligations and ex-servicemen with their rights under the statutes. This was designated to prevent controversies from arising under the acts as well as to eliminate misunderstandings between employers and ex-servicemen which might result in hardship to veterans and sometimes increased liabilities to employers...." (1949: 84)

Commenting on the general effect of the program, the Director wrote in his 1953 report:

"During the past 13 years when some 20 million veterans have returned to civilian life the reemployment rights statutes have played an important part in their readjustment. They have given the ex-serviceman the opportunity to return to his home community, to resume his former way of life with family and friends, and to return to the job he knows best with assurance that he has not lost ground because of his absence. These statutes afford him the opportunity of quickly becoming a self-supporting citizen capable of contributing his bit to the goods, services, and taxes needed for his country's welfare...." (1953: 69)

Federal Workmen's Compensation

Every State has a law by which workers are compensated for injuries received which arise out of the job. For people employed by the Federal Government and other groups to whom Federal coverage has been extended, there is a similar law enacted by the Congress. In addition, since 1950 the Secretary of Labor has had the job of administering workmen's compensation laws relating to maritime workers and certain other groups of workers in pri-

vate industry. Altogether about 2½ million Federal workers and 1 million other United States workers in various parts of the world are covered by these laws.

"Federal Workmen's Compensation may be divided conveniently into two separate categories. The first refers to occupations carried on by civilian Federal workers, such as post office employees and those who work for the Veterans' Administration, National Military Establishments, Treasury, Interior, Agriculture, and similar Government agencies. The second group comprises certain private employment of a maritime nature, private employment in the District of Columbia, and also construction work at outlying defense bases. In this second group are thousands of longshoremen, harbor workers, and ship repairmen. . . . The Government provides medical, monetary, and other remedial relief for its own employees from direct appropriations made by Congress. For the others, it supervises operations to ensure that such relief is given promptly and in accordance with law through the usual channels of insurance paid for by the employing concerns." (1950: 94)

Of the Federal employees it should be remembered that many are engaged in hazardous occupations:

"Most people think of Federal employment as relatively nonhazardous. They forget the hundreds of thousands of Federal workers doing construction work, foundry work, lumbering, quarrying, woodworking, marine, warehousing, and similar operations. Overlooked also is the vast army of maintenance workers, the mail handlers, fleet operators, laundry workers, fire fighters, electricians, meat inspectors, melters, and printers, to mention only a few. These people constitute a good 85 percent of all Federal accident cases. They are largely the ones who suffer the agonizing and crippling work injuries which often end in death. The nurse, the office worker, the postman, the chauffeur each has his own accident problem." (1950:96-97)

The Bureau of Employees' Compensation therefore conducts a vigorous accident-prevention campaign among the groups for which it has responsibility.

THE PEACETIME ECONOMY

1953



THE PEACETIME ECONOMY

1953

In 1953 the Nation had a Republican Administration for the first time in 20 years. The personal appeal of General Dwight D. Eisenhower resulted in a landslide election in his favor.

President Eisenhower made it clear that his great hope was to unite his party, unite the country, and unite the Western nations. A man schooled in warfare worked hard for peace in his new post.

His Cabinet appointments were of men to a great extent identified with business, finance, or corporation law. Only one man was clearly identified with labor—Martin P. Durkin, president of the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, and the new Secretary of Labor.

Secretary Durkin was the fourth trade unionist to become Secretary of Labor.

His tenure in the Cabinet was brief. He resigned at the end of 8 months as a result of a major policy disagreement with the Administration over proposed changes in the Taft-Hartley Act.

His principal contribution to the Department was in his clarification of the lines of authority in the Labor Department. This was effected through general orders and covering memoranda, the contents of which might be briefly summarized as follows:

The Secretary of Labor is generally recognized as the President's principal adviser and spokesman on labor policies and programs. He is responsible for taking the lead in developing and promoting national and international policies and programs in the labor field. He determines the objectives, policies, and programs of the Department within the framework of legislation and Administration policies. He determines the basic organization of the Department, selects and appoints or recommends the appointment of key officials, and reviews and approves budgets to carry out the Department's policies and programs. He insures that all the resources of the Department are effectively marshaled and directed to achieve these policies and program objectives, and that the legislation for which the Congress and the President have given him responsibility is properly administered.

The Under Secretary performs the duties of the Secretary in his absence, shares the duties of office with him, and is responsible for the general management of the Department.

Today four Assistant Secretaries are responsible for functional areas of the Department's activities: international labor, labor standards and women's affairs, labor-management relations, and development and research. In addition, a Manpower Administrator supervises all of the work of the Department relating to employment and training. The Assistant Secretaries provide leadership and direction, maintain the necessary liaison, establish program objectives, develop plans and programs, review appropriation requests, and represent the Department before congressional committees in connection with their specific fields of operation.

The Administrative Assistant Secretary has charge of the Department's budget and management functions.

International Labor Affairs

As regards the Department's relations with the International Labor Organization:

"[The Department] has been governed by the basic United States objectives of (1) strengthening the economic and social fabric of the free world and so encouraging the alleviation of those conditions of misery and frustration upon which communism breeds, (2) improving labor standards and living conditions around the world so that international trade, including the development of foreign markets for American goods, is expanded and America's high labor standards are protected from international trade competition based upon unreasonably low labor standards abroad, and (3) seeking effective forums in which to present economic and social concepts of the United States to the rest of the world." (1953: 9)

As regards its program of technical cooperation and the exchange of persons:

"The major portion of the work of the Department . . . concerned the arrangement of programs in the United States for foreign visitors. Special care was taken to provide these experts not only with technical training, but also with a broad understanding of the democratic relationships existing between labor and other groups within the economic and social life of the country. To this end valuable cooperation was received from trade unions, industrial firms, Federal and State government agencies, colleges and universities, as well as individual communities around the country. In an effort to promote understanding of 'grass roots' America, special efforts were made to solicit the cooperation of the smaller and medium-sized communities." (1953: 10-11)

Worker Training

Commenting on its experience in the promotion of training in the United States, the Bureau of Apprenticeship reported that, "although the response of industry to the need for training is still not as vigorous and directed as the

observed needs indicate, there can be little question that during the past year significant progress has been made. The Nation is more aware today than ever before of the need for trained men and women, and is establishing the programs that will yield results. The training program, however, is getting results not only because the need for training is being so widely discussed, but also and chiefly because industry itself is convinced and is demonstrating that training is a good investment." (1953: 30)

Employees' Compensation Appeals Board

For lack of substantial comment in the departmental reports, reference to this organization has been omitted from earlier chapters of the present work. Its functions and accomplishments may therefore be appropriately reviewed at this time.

Established in 1946, the ECAB was transferred to the Department of Labor in 1950. It consists of three members, appointed by the Secretary of Labor. It performs a quasi-judicial function in deciding appeals from administrative decisions of the Bureau of Employees' Compensation. Following informal procedures, it hears oral arguments in support of the parties in dispute. Its decisions discuss the evidence and the law and explain the reasons for the conclusions reached. During the first 4 years of its operation in the Department of Labor, it accepted 1,225 new cases, closed 869, and issued decisions regarding 585.

As stated in an earlier report: "The purpose behind the establishment of the Board obviously was to give employees of the United States the same administrative due process of law (that is, the right to appeal their cases) which other (nongovernment) employees have under State workmen's compensation laws." (1950: 110)

Employment Security*

Services to veterans continued as a major function of the Department. The end of hostilities in Korea resulted in a substantial increase in this work:

"During the fiscal year ended June 30, 1953, approximately 1,000,000 veterans returned to civilian life. . . .

"Because approximately one-third of today's labor force is made up of veterans, measures have been undertaken to strengthen all phases of veterans' services. Cooperative arrangements with Federal and State agencies serving veterans have been reviewed and strengthened. Increased emphasis has been placed upon promotional work carried out by public employment offices in cooperation with veterans' organizations, especially in relation to problems of the disabled veteran. . . ." (1953: 38)

* A short history of the work of the Federal-State employment service is presented in "The Public Employment Service System, 1933-53," published in Employment Security Review, vol. 20, no. 6, June 1953, U.S. Department of Labor.

However, economies in the administration of the Government itself resulted in the displacement of an unusually large number of Federal employees:

"In order to assure continuing employment assistance to individuals being laid off by Government agencies, and to direct them, whenever possible, into employment which will utilize their best skills in the interests of national security, the Employment Service has developed, through State agencies, a program of specialized placement assistance. This program will continue so long as significant numbers of workers are being discharged by governmental agencies." (1953: 39)

As regards the farm placement program:

"Gratifying improvements have been made over the past year in farm worker housing and in community services to migrant families. While not a direct responsibility of the employment service, farm worker housing and general welfare are an important factor in the recruitment of farm labor. For that reason, local employment offices in many areas have exercised leadership in encouraging these improvements." (1953: 40)

The unemployment insurance program gave rise to some concern:

"The Federal Advisory Council has been much interested in problems of unemployment insurance; its committees on benefit adequacy, on benefit financing, and on disqualification from benefits have been very active during the past year. The Council has been particularly concerned about the role of unemployment insurance benefits in meeting claimants' needs and the adjustments in their expenditure patterns while unemployed and the trend toward restrictive disqualification provisions which tend to defeat the purpose of the program. . . ." (1953: 43-44)

Labor Standards

Since its establishment in 1934, the Bureau of Labor Standards had proved its value as a source of information to the States with regard to the development of labor standards and State legislation on labor matters:

"When public support develops in a State for a labor law or when bills are introduced in a State legislature, advice is needed in drafting legislation to make it work most efficiently and economically. Since the Bureau is the only place in the Nation where all State and Federal labor legislation is collected and made available, State administrators, employer organizations, labor unions, public and private organizations, and Federal agencies turn to it as a resource on labor law matters. In the past year 38 States and 3 Territories were advised on the best State experience in laws on workmen's compensation, child labor, labor relations, wage payment and wage collection, and regulation of private employment agencies. The majority of the 500 State labor laws enacted in the last year's legislative sessions contained standards which the Bureau had assisted in promoting in the manner described." (1953: 47)

"The inclusion in a growing number of State labor laws of the recommended standards developed through the Bureau's consultative methods is an indication of the usability and practicability of the standards. . . ." (1953: 49)

Labor Statistics

The relaxation of defense program controls during 1953, with the cessation of active military operations in Korea, substantially affected the work of the Bureau of Labor Statistics. It reduced the volume of special work, but increased the demands on it for information on prices, wages, employment, and productivity. (1953: 57)

During this year the Bureau published its findings from a 1947 study of the economic interdependence of 190 different industrial sectors in the national economy, and also a complete revision of the Consumer Price Index based upon a more recent study of consumer purchasing habits.

Reemployment Rights

The return of many veterans from military service greatly increased the work of the Bureau of Veterans' Reemployment Rights. Considered as factors in determining the extent to which an ex-serviceman might be entitled to reemployment rights were the following:

"1. His statutory right to reemployment with his former employer where all of the conditions of eligibility have been met.

"2. His right to count his military service as time in the employ of his former employer for seniority purposes.

"3. His right upon reinstatement to all of the employment advantages accruing to his old job during his absence in military service, such as pay increases, better working conditions, and fringe benefits (pensions, insurance, vacations, etc.).

"4. His right to promotion where advancement is made solely on the basis of seniority or in some instances where it can be shown he would have been promoted had he not entered military service.

"5. His right to compensatory damages for wages lost due to his employer's failure to properly reemploy or to cover any unreasonable period of delay in affecting his reemployment.

"6. His right to another job of like seniority, status, and pay or to some other job in the employ of the employer, the duties of which he can perform, if he is disabled while in military service to such an extent that he is unable to perform the duties of his old job." (1953: 74)

Some idea of the extent of application of the reemployment rights legislation is given in the following statistics:

"1. More than 50 percent of all persons who enter military service by whatever means, leave gainful employment in order to do so.

"2. More than 15 million persons entered the armed services shortly before and during World War II.

“3. More than 5 million persons have entered the service between the close of World War II and July 1, 1953.

“4. To maintain an armed strength of 3.6 million, approximately one million persons enter military service each year to replace those separated.

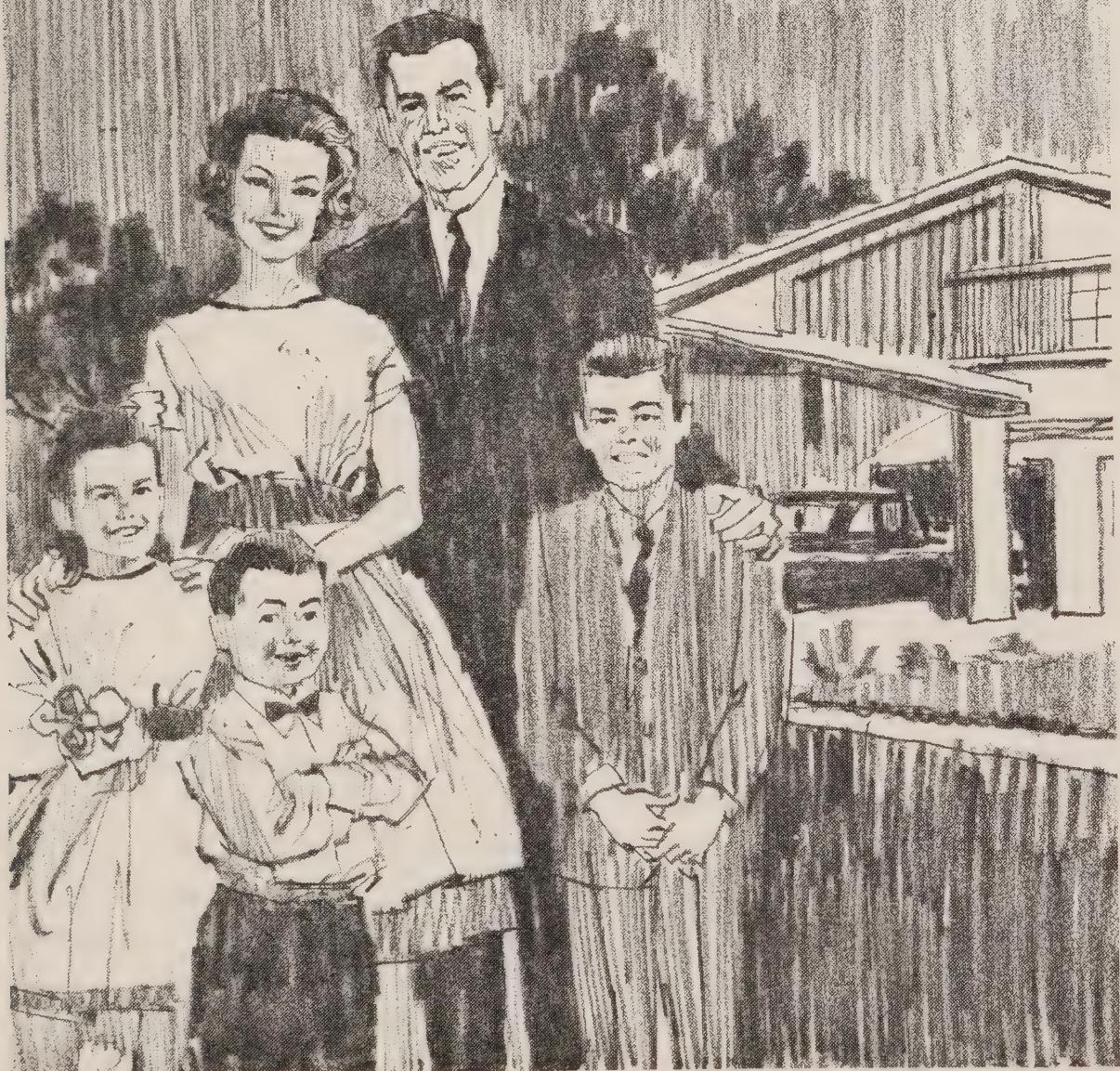
“5. In obtaining one million replacements each year, some 300,000 persons will be rejected.

“6. To maintain the reserve training program, some 400,000 reservists will perform training duty each year.

“7. From 1947, when the Bureau of Veterans’ Reemployment Rights was established, to July 1, 1953, it is estimated that more than $2\frac{1}{4}$ million ex-servicemen, training duty reservists and rejectees have returned to their former employers or have received some additional employment benefit to which they were entitled by the reemployment statutes.” (1953: 74–75)

PROSPERITY AND CHANGE

1953 – 1960



PROSPERITY AND CHANGE 1953-60

The country was growing in wealth and population in the fifties. By 1956 registrations in colleges and universities had passed the 3 million level. Television had made its mark, surpassing movies and radio in public attention.

Labor unions had increased in power and resources. In 1952 George Meany, a former leader of the Plumbers and Pipe Fitters Union, became president of the American Federation of Labor, following the death of William Green. Walter Reuther of the Auto Workers took Philip Murray's place as head of the CIO. Plans for the merger of the two organizations moved along, and in 1955 they became one, with a total enrollment of approximately 15 million members.

In October 1953 President Eisenhower named James P. Mitchell, a former personnel adviser to private business and to the Defense Department, as Labor Secretary, succeeding Martin Durkin.

Secretary Mitchell was accepted by both management and labor as a capable administrator. His approach to his new tasks is expressed in his report to Congress of 1959:

"It has become increasingly evident during recent years that our survival as a nation is going to depend far more on the skills of our work force than on our wealth of natural resources.

"For over 100 years the United States has been able to produce goods more efficiently than any other nation in history. Our preeminence in this connection, however, is about to be seriously threatened by a dictatorship over a nation of considerably larger population. We are under increasing pressure to develop in as many workers as possible the highest skills of which they are capable, especially those skills that strengthen our ability to survive.

"Accepting the fact that in the long run proportionately fewer American workers are now producing proportionately more goods and services, it becomes also necessary to consider a substantial increase in employment, in improvement of the quality of our labor force, and in the more effective utilization of existing skills. We need more workers; we need more trained workers; we need more highly trained workers. We must plan our manpower future.

"In the past we have too often taken the easy way. We have traded the long-term value of intelligent manpower planning for wasteful expediency.

Not only have we limited the opportunities of the minority worker, the older workers, the woman worker, but we have also neglected the proper training of workers whose skills are necessary to the continuing day-to-day efficiency of industry.

"No longer can we afford the high cost of prejudice. There is neither excuse nor justification for discrimination in employment. It is clear that as a nation we are injured both domestically and internationally by intolerance. Whoever is best fitted for a given job should be given employment in that job, regardless of race, religion, physical handicap, age, or sex.

"At the same time we must train for versatility. These are revolutionary times; we experience a revolution every day. Discoveries, inventions, and the intensive application of organized knowledge to the solution of problems together have accelerated tremendously the tempo of our living and have increased the power of forces making for change. The essential requirement for survival in today's world is adaptability. Whole industries disappear, yielding place to new. Occupations become obsolete, and new ones take their place. To keep up with the times, our workers must be able not only to move to other jobs, but also to acquire new skills. The world is currently in a ferment, and no phase of quiet and relaxation is yet in sight. To argue that such a prospect is unpleasing and even unworthy is to tilt at windmills. It exists, and for the while must be accepted as an inevitable stage in the development of mankind.

"Planning the skills of the work force, we must determine more precisely our requirements. We must concentrate on the education and guidance of our young people. We must develop and use more efficient ways of selecting and training our workers and their supervisors. We must provide the retraining necessary for adaptation to change. And we must explore and apply more adequately the skills of potential workers currently excluded from the work force because of prejudice. The end result of these measures should be that every worker will be able to realize his or her greatest potential.

"This full intelligent exercise of the skills of our work force will insure in large measure the economic growth and stability of the Nation. It will help to improve our standard of living." (1959: 5-6)

On wages and income maintenance, Secretary Mitchell said:

"By itself and without qualification, a drive for full development and use of the Nation's work force would be blind—a bleak objective without purpose. In the midst of technological change, our toughest problem is to insure the self-expression, the self-satisfaction, the dignity, and motivation of the individual.

"There is grave danger that these individual values, which are the foundation upon which human beings build their lives, may be seriously weakened by the sheer weight of our industrial structure and our insistence on industrial production. Two aspects of this qualification on our major objective, therefore, should be given consideration. On the one hand, adequate provision must be made to insure the protection of the individual during employ-

ment and when, by force of circumstances, he or she is unemployed. On the other, care must be taken to see that in our inevitably increasing mass organization the identity of the individual is not lost. The first of these is a problem of income and of income maintenance.

"One of the objectives of a democratic society is that all workers should have opportunity and the means to enjoy a reasonable level of income. This is effected in part by establishing a minimum level of wages, and in part by establishing insurance against work injury and unemployment. Although by no means adequate as an avenue to the objective, these steps nevertheless contribute to its attainment.

"Organized groups of workers have developed their own ways of attaining wage levels conducive to better living. The unorganized are more liable to exploitation and low wages. Through their Federal and State governments, the people of the United States have set up laws governing minimum wages, the hours of work, and the conditions of employment to protect low-wage workers against oppressive exploitation. That many of these laws are inadequate is evident. Large numbers of workers are still excluded from their protection. Because of the inadequacies of these laws and their irrational differences between jurisdictions, many workers in the United States are deprived of economic protection despite their acceptance as citizens in the commonwealth. This patent injustice should be corrected. It not only places the individual worker at a disadvantage relative to his more fortunate companions; it also gives to employers who are exempt from reasonable minimum wages standards an unfair advantage over their competitors.

"As regards work injuries and unemployment, considerable legislation, both State and Federal, is currently in operation. Old-age and survivors insurance, unemployment insurance, temporary disability insurance, workmen's compensation, and public assistance are all to some degree in effect under one or other of the several jurisdictions in the United States. But here again deficiencies in coverage, qualifications, and standardization among the jurisdictions militate against the full enjoyment of benefits by all workers, and manifest the seeds of injustice.

"Substantial improvements are needed to shield all workers against economic reversals. Not only as a matter of providing greater dignity and decency to the wage earner, but also to maintain him as a consumer and buyer in the Nation's markets, improvement in these income-maintenance and economic-security laws are necessary. The payment of insurance benefits to workers in time of need helps to prevent economic downturns from becoming widespread and serious, and contributes to the more orderly operation of the labor market." (1959: 10-11)

Discussing labor-management relations, the Secretary pointed out:

"Although not measurable in dollars and cents, the possible effects of mass organization on the identity of the individual worker are nevertheless important. In our desire to produce, whether for survival or for the enjoyment of higher economic standards, we tend to emphasize bigness and centraliza-

tion. As a result, the channels of communication between the individual and the sources of executive power in the social groups to which he belongs tend to become increasingly tenuous. So far as the worker is concerned, this incipient danger is equally invidious whether in regard to labor organizations, employing corporations, or government.

"It is therefore desirable that safeguards be established to refer whatever action needs to be taken—whether in arriving at a decision, giving it the force of action, or reviewing and regulating the appropriate executive body—to the smallest unit capable of transacting it. At the same time, so that the autonomy of local units may not be abused, it is necessary that the central authority should remain vigilant, ever responsible for the welfare of the individual as a member of the larger group.

"For a large proportion of our workers in the United States, labor unions are the only effective form of organization through which they can express their wishes as workers in their relationships with their employers. The point of actual contact with the employer or his representative is through the local union. It is at this point, therefore, that the most promising work may be done to retain and strengthen the individuality of the worker. In a dynamic democratic social and economic system, such as we have in the United States, the local labor-management relationship has the significance of a nerve center in the human body. No opportunity to develop and improve its functions should be overlooked.

"A strong, free, responsible labor movement is good for America. To encourage collective bargaining between employees and their employers is sound policy. But that movement and that policy must rest on the existence of local unions free to function in their members' interests, responsive to their interests, and responsible also to the community as a whole of which they are a part. Their freedom of expression and action is contingent on freedom from the tyranny of corrupt officials, whether they be in public office, union office, or the office of the employer.

"Because local decisions are so important as a reflection of the wishes of the individuals concerned, it is desirable that the role of government with respect to labor-management relations should involve as little interference as is compatible with the public welfare. Good industrial relations cannot be created by laws. At best, government can only provide the framework in which management and labor operate. Government's sole interest should be that of protecting the public and the individual participant in the dispute, and not of acting as the advocate of either workers or employers. If government remains impartial, either party to the dispute or to contemplated agreement is the more likely to approach the other in a spirit of equality and cooperation, without the suspicion that the other party may be able to enlist government support of its position and thus gain unfair advantage.

"Although the maintenance of industrial peace is not a direct operating responsibility of the Department of Labor, it is nevertheless implied in al-

most everything the Department does, and it is an indirect part of nearly every responsibility vested in the Department." (1959: 14-15)

The Secretary made the following comments on Federal-State relationships:

"In accord with the general principle that workers' interests can best be served through responsible organizations local in character, it is desirable that wherever possible the promotion and administration of legislation affecting the welfare of workers should reside in State governments rather than in the Federal Government. The Federal Government is further removed from the individual worker, and thus necessarily less likely to be responsive to his wishes. Also, although there are some broad areas in which Federal laws are necessary and effective, there are others where Federal centralization tends to breed duplication between Federal and State efforts, with the result that the taxpayers' money is wasted. So far as possible, the responsibility for labor standards legislation should be exercised by the States. They experience the problems at first hand; they are best equipped to solve them. In the variety of their experiences they provide a valuable testing ground for the development and promotion of new ideas and practices.

"Admittedly this approach usually takes more time and requires more effort and more patience than Federal action would. It builds a sounder structure, however, and one that is likely to last longer. Furthermore, State legislatures are able to make those variations and special provisions required to accommodate the law to the local situation and the needs of the people affected.

"It is well to note, however, that in the absence of adequate State action, the responsibility of the Federal Government persists. As regards economic security and minimum wage legislation, for example, the conditions of interstate economic competition, the mobility of labor, and the Federal Government's responsibility for the welfare of its wage earning citizens place it, vis-a-vis State governments, in a quasi-competitive role.

"To the extent that State and local governments fail to take positive and well-considered steps to meet the demands of their own citizens for the performance of necessary functions, pressure persists on the Federal Government to do what the local governments could do but have not done. As in the past, such pressures encourage the further expansion of Federal regulation and control.

"The desirability of strong labor departments is clearly evident. A State labor department should administer labor laws. But it should also provide the planning and leadership that are vital to achieving the objectives of a growing economy—good labor standards, safe working places, and the minimizing of industrial disputes. Only through strong labor departments can these objectives be attained with the flexibility required by our changing social and industrial developments." (1959: 16-17)

Labor's increasingly important role in newly developing countries and Communist efforts to control unions were discussed:

"More than ever before, labor is becoming crucially important in many foreign countries. Labor's role in the more highly industrialized countries has long been recognized. Though in a different manner, labor is also now beginning to play an important and in some cases a decisive role in the newly developing countries of Asia, Africa, and Latin America where the industrial labor force is a relatively small component of the total work force. While most of these labor organizations do not resemble trade unions in the United States or Western Europe, they are coming to exercise significant, even critical, political and economic influences in many countries. Determined Communist efforts to subvert and control labor organizations, in line with orthodox Communist doctrine, present a growing threat to the independence of these countries and to the development of a system of sovereign states within the Free World, which the U.S. foreign policy seeks to encourage.

"Manpower development problems are also of key significance in the efforts of newly developing countries to achieve their national aspirations and raise their living standards. Indeed, it is rapidly becoming apparent that development of human resources and training in skills are no less important than the acquisition of investment capital for economic progress and modernization." (1959: 19)

Administration and Organization

The Department was strengthened during Secretary Mitchell's administration by the addition of several functions.

"Administration of the Welfare and Pension Plans Disclosure Act (Public Law 85-836) and the Safety Amendment to the Longshoremen's and Harbor Workers' Compensation Act made by Public Law 85-742 was delegated to the Bureau of Labor Standards. Administration of the Labor-Management Reporting and Disclosure Act of 1959 was established in a new bureau. . . .

"The Assistant Secretaries were given line responsibility, especially in the monitoring of programs involving different bureaus. Continuity of function was improved by the appointment of top career employees as Deputy Under Secretary and Deputy Assistant Secretaries, not only because of their technical competence but also to provide the necessary linkage between successive periods of administration.

"A permanent program for the orientation and training of the departmental staff as a whole was introduced, which not only improves the quality of the operating staff but also provides for greater flexibility in transferring selected employees from one bureau to another, thus enlarging their experience and background and qualifying them for positions of broader responsibility." (1959: 2)

Manpower

During the incumbency of Secretary Mitchell it became increasingly evident that the problem of manpower would constitute the major issue of the 1960's.

Whether in war or peace, efficient use of its available manpower resources is one of the most important problems faced by the Nation. During wartime the immediate problem is in part resolved by the drafting or enlistment of a very large segment of the labor force into uniformed occupations. The vacancies caused by this conversion of manpower to military needs, however, create an even more embarrassing supplementary problem, that of inducting into the civilian labor force millions of workers, chiefly women, most of whom lack recent employment experience and therefore need training to become productive. With the restoration of peacetime activities, awareness of the need for efficiency is relaxed, and the problem becomes one chiefly of convincing both workers and their employers of the need for training and effective utilization of the labor force normally available.

"To prepare a new Departmentwide program for the development and utilization of the Nation's work force a small group of specialists [was] established.

"This group was directed to review the Department's activities in the area of manpower utilization and development, to make recommendations for strengthening and coordinating these activities, and to suggest new projects or activities which would contribute to skill development and fuller utilization.

"The broad problem was to determine how the Nation could achieve an adequate, skilled, and versatile work force to meet current and anticipated economic conditions and needs, including considerations of military security. As part of the same problem it was also necessary to consider how to increase the job opportunities, earning ability, and economic security of the individual worker, without regard to race, creed, sex, age, or physical handicap.

"The first step was to identify the proper role of the Federal Government. This was done through meetings with representatives of industry, labor, education, and government. Recognizing the responsibilities of numerous other groups, the role of the Department was considered to be in these areas: Fact-finding and the dissemination of information concerning the need for trained workers; helping workers select, prepare for, and obtain jobs in suitable occupations; and promoting more adequate training programs." (1956: 8-9)

From the point of view of the Department of Labor, the problems of manpower are of perpetual urgency. It is concerned not only with the use of available resources today, but also with the need for and availability of labor in the future. Special studies are therefore made several years apart to determine both gross and detailed estimates of the demand for labor and the kinds of labor which will be needed as much as 10 or even 20 years in the future.

These studies, published as reports to the Nation, emphasize the need for further education and training, the extent to which women are entering the labor force, and the extent of replacement of older or retired workers with youngsters newly entered into the labor force. During Secretary Mitchell's incumbency, projections through 1970 were published.

On a current basis, treatment of the problem takes on a different slant:

"Discrimination in employment, whether directed against race, sex, age, or physical handicap, is wasteful of manpower, destructive of national morale and character, and contributory to slums and delinquency. There is neither excuse nor justification for prejudice and discrimination in employment. It is clear that as a nation, both domestically and internationally, we are injured by prejudice and intolerance.

"[Therefore] the Department has been engaged in taking a fresh look at today's employment problems of older workers and youth, of women workers, of the physically handicapped, of workers in areas of persistent labor surplus, of members of minority groups, and of job seekers wherever they may be, looking toward new action programs to improve their lot. At the same time, the Department is studying population and labor force trends and the possible impact of automation, atomic energy, and other technological development on future labor requirements." (1956: 8)

In 1956 the Department published a series of studies describing the characteristics of older workers, their work experience and reliability, the barriers to their employment, and the unscientific nature of popular prejudices against their employment.

It also stepped up its program for the employment of youth. The Department's most popular publication, "Occupational Outlook Handbook," was given congressional approval and funds for continuous revision on a biennial basis, with supplementation to keep it up to date between editions through publication of the Occupational Outlook Quarterly. The "Job Guide for Young Workers" was also revised, and communities were urged to develop cooperative school and work experience programs for their youth. And the Department issued the following statement of objectives regarding young people 14 to 17 years of age:

"... (1) To keep youth at school as long and as regularly as possible, compatible with the development of their abilities; (2) to help those who leave school at 16 and 17 years of age to get jobs offering useful employment experience; (3) to protect employed youth against exploitation and employment in hazardous occupations; (4) to advise communities on the development of programs for the guidance of youth who are no longer in school and have not yet established themselves in jobs; and (5) to advise employers on the needs and possibilities of youth as workers, and the laws governing their employment." (1956: 12)

As regards areas of persistent labor surplus, the Department promoted a number of activities to give assistance, centering on the local public employment offices. These included:

“. . . (1) Encouraging and assisting the communities to develop local organizations responsible for economic rehabilitation; (2) pilot efforts to assist a limited number of areas in order to demonstrate how effective program operations can be undertaken through the cooperation of Federal, State, and local agencies, both private and public; (3) economic and labor force analyses which provide the necessary basis for the manpower aspects of planning and operations; (4) increasing employment service efforts to relieve local unemployment by providing guidance and information on job opportunities in other areas; and (5) emphasizing the importance of skill training, and assuming leadership in assisting such areas to determine realistic training needs.” (1956: 14)

Employment Security

As stated in the 1957 annual report:

“The story of employment security is written in the intimate personal experience of each and every individual who was helped by a local [public] employment office: the highly trained engineer on his way to a new and better job a thousand miles away because his local office knew about such opportunities all over the country; the physically handicapped worker who has a job today because of the persistent job development efforts of the local office interviewer; the high school senior who has found the road to the right job because he’s learned about his aptitudes and occupational prospects from the local office youth counselor; the family who does not have to seek charity because unemployment insurance benefits are tiding them over a period of unemployment; the employer who found out what to do about his turnover and absenteeism problems in a BES publication given to him by a local office employer relations representative.

“The employment security program helps to strengthen personal security for the workers not only through its services to individual workers but also through the contribution it makes to national employment stability and economic growth. Through its countrywide operations, it helps to promote and conserve the skills of the labor force. Through its unemployment insurance programs, it bolsters community and national purchasing power and acts as first line of defense against a possible recession.” (1957: 86)

The training a worker receives, regardless of how good it is, is wasted unless he can find a job which gives him satisfaction, both financial and personal.

“Finding a job is a difficult task. It requires that the job seeker have information available which is not easily obtained by an individual. He must know, for example, what jobs are available, not only in his own community, but all over the country. He also must know what these jobs require in training, experience, and general skills. Finally, he must know himself. The latter is no mean task. It is difficult for a person to analyze objectively his own abilities and talents, and further, to know how those abilities may be developed.

"An important function of the public employment offices is to gather this information, in order to find jobs for workers and workers for jobs. This entails not only a placement service but also guidance activities; the collection, analysis, and circulation of labor-market information to employers, labor groups and other organizations concerned with employment; and providing special services to veterans and others who have trouble finding their place in the national economy.

"Congress, recognizing the interstate nature of many economic and labor-market problems, established a Federal-State system of public employment services. Administration is vested in the States. The Federal Government is responsible for prescribing standards of efficiency for and coordinating these services. The Department of Labor is the Federal partner in this system.

"Basically, the Public Employment Service is a community organization. The local office concerns itself with the employment needs of the employers, labor groups, and workers in its community.

"The services available to workers are provided free of charge. What are these services?

"The worker's qualifications are matched with the employer's needs. The worker is then offered interviews with the employers whose needs match his capabilities.

"The local office, however, does not wait for employers to come to it for workers. It publicizes the skills of available workers. Employers are solicited to list their job openings with the local office.

"Interviewing of the workers is done by trained personnel in the local office. The worker's experience, skills, aptitudes, and personal preferences receive careful analysis.

"When no job openings exist in a community for the particular skills of a worker, public employment offices in other areas may be contacted to assist him if he wishes.

"For the employer, the public employment office provides the largest single source of manpower available in the community. When a job order is received, workers matching the employer's job performance requirements are selected and sent to the employer for consideration. The actual hiring of workers, of course, is done by the employer himself.

"The Public Employment Service furnishes information about occupations, employment, working conditions, prevailing wages and hours, etc., which provides the employer with a factual basis for planning his manpower requirements." (1954: 42-43)

Steadily continuing its general day-by-day services to the unemployed—in 1959 alone the Federal-State system of public employment offices filled 15 million job openings—the Bureau of Employment Security introduced during the period under review several measures of particular interest.

In the process of revising the "Dictionary of Occupational Titles," the standard reference work in this field, studies were made of worker traits:

"Ordinary workers, like actors, get 'typed' by what they happen to have done rather than by what they can do. Placement interviewers know this, and try to refer their applicants to the widest variety of jobs—but in so doing they are limited to their own knowledge and imagination. Present systems designed to match worker qualifications with job requirements are essentially based on similarities of worker experience on specific jobs. They are job-centered rather than work-centered.

"Six years ago, the Bureau undertook to develop an additional classification system which would relate such components as interests, aptitudes, training time, temperaments, physical capacities, and working conditions to specific sets of job requirements. The purpose is to create a system which will enable the local office to refer applicants to the maximum number of jobs they can do, and also to make available to employers the maximum number of workers from which to make selections." (1956: 91)

Toward the end of this period this new classification structure was in process of being tested before being published for general use.

From its earliest days the public employment services had been handicapped by the erroneous popular impression that they were intended primarily, if not exclusively, for the convenience of semiskilled and unskilled workers. In part this reputation developed out of the depression years of the 1930's, when public employment offices constituted the official centers for relief payments, and in part to the fact that, with very limited appropriations, they were usually located in drab buildings in dingy parts of the towns near the industrial areas, and thus were avoided by unemployed workers in professional and supervisory occupations, who not only felt it incumbent on them to fend for themselves but also felt out of place in such surroundings.

To overcome this reputation, and to show that public employment offices were as able to serve the prestige occupational levels as well as the more humble ones, during the late 1950's the Employment Service established and successfully conducted a network of special public employment offices for professional workers. Often these offices were temporarily located at the registration desks of national conventions of professional associations. All such offices, however, were tied together in a clearance procedure which made it possible to match applicant and job in even remotely separated areas in the United States.

". . . As a result, the employment service was enabled to expand occupational coverage in placement service and to encourage development of year-round placements to members of the professional societies. Definite gains in understanding and acceptance by large groups of professional employers and applicants also resulted." (1958: 108)

Engineers, nurses, and teachers were in this way given help, as well as college instructors and management officials.

A third development of considerable value was the publication of a comprehensive "Area Manpower Guidebook," prepared with the cooperation of the State employment security agencies, presenting background data, com-

parative labor market statistics, and summary labor market facts about the economic and manpower resources of 174 of the Nation's more important labor market areas.

"This publication brought together in a single volume basic manpower information for local areas—their industrial characteristics, manpower sources of employment, skills of the work force, long-term labor market trends, and related items. The book facilitates the work of the Bureau and the State agencies in serving workers, employers and the public, and in planning national manpower programs and policies." (1958: 128)

In 1959 the Bureau published a significant volume on chronic labor surplus areas, in which it discussed the problem of localized unemployment and the impact of recession developments on their experience, and indicated the outlook for these areas.

Farm Labor

During this period special attention was given to the problems of farm labor. The Department's first efforts in this connection were reported in the days of the first World War. Since that time, no matter which department of Government had attempted to handle them, the problems had become, if anything, more acute. Technological improvements, especially of farm machinery; the introduction of powerful chemical insecticides and fertilizers; the consolidation of farm lands into large properties, many owned by corporations; and the relative attractiveness of city employment—these factors brought about a considerable reduction in farm population and farm employment. At the same time they reduced the duration of crop-harvesting seasons, thus shortening the duration of employment of seasonal farm workers. To meet the urgent needs of planting and harvesting, farmers explored the employment of foreign nationals, but this development was to some extent checked by the introduction of border patrols to prohibit the illegal importation of "wetback" Mexican laborers, and the subordination of this source of labor to regulation and government control.

For many years the generally deplorable conditions of employment of migrant farm workers in the United States had given rise to adverse comment, and some of the more advanced States had enacted corrective legislation. The need for some form of Federal leadership in the matter had become increasingly imperative. The development of a coordinated plan, in which labor supply and labor demand States scheduled the itineraries and employment of migratory crews, had done a great deal to alleviate the miseries of these workers. But much still needed to be done.

During the period under review the Department of Labor gave considerable attention to the problems of farm labor, and sought to bring about improvements. In October 1954 the President created a Cabinet Committee on Migratory Labor, with the Secretary of Labor as chairman. In 1956, at the recommendation of this committee, Congress authorized the Interstate Commerce Commission to regulate the equipment and operation of vehicles

used in the interstate transportation of migrant farm workers. Suggested language for State regulation of intrastate transportation of migrants and for their housing was prepared and made available to the public. A beginning was made on promotion for the appointment of State migratory labor committees. Programs for the employment of local "day-haul" labor, consisting chiefly of housewives, school children on vacation, and temporarily unemployed persons, were strengthened. In 1959 the Department issued as a major publication the "Farm Labor Fact Book," bringing together in one volume a wealth of scattered information on this important segment of the Nation's labor force. At about the same time a committee of consultants called in by the Secretary made a report with recommendations on what should be done to alleviate the conditions of employment of migratory farm workers in the United States.

Some indication of the type of service provided by the Farm Labor Service in the Bureau of Employment Security, and of the problems encountered, may be obtained from the following excerpts from the annual report for 1959:

"Farm labor comprises about 10 percent of the Nation's total employment. The Bureau's Farm Labor Service has the responsibility for guiding and coordinating programs to assist both growers and farm laborers, including domestic migratory workers and foreign farm labor. Chief function of the operation is to bring together agricultural workers and their employers However, such diverse but related activities as estimating crop yield to determine manpower requirements, acting in emergencies to avert crop loss, making prevailing wage determinations and inspecting housing facilities for Mexican agricultural workers, finding live-in jobs on farms for young people from urban areas, or referring grain combines to farmers ready to harvest are among the responsibilities of the Farm Labor Service. The operation is carried out through the State employment security agencies and their local employment offices, each of which in agricultural areas has identifiable farm placement service with farm labor field representatives.

"Fiscal year 1959 was one of agriculture's outstanding production years, and recruitment of workers available to agriculture posed difficult problems Recruitment plans in many cases had to be changed quickly to avoid labor shortage emergencies because of the characteristics of the year's crop-weather pattern. Complicating the problems were technological developments in agriculture and the increasing use of machines for cultivating and harvest of many more crops—both acting to disrupt the historical pattern of the farm labor force—coupled with the continued decline of total farm labor." (1959: 105)

Monthly farm labor employment averaged 5,881,000. Hired worker employment for the year averaged 1,711,000.

As the fiscal year ended, the Secretary announced plans for publication of proposed amendments to the regulations in the Federal Register. He said the purpose of the amendments was "to prevent the use of tax-supported facilities in undercutting prevailing wages, working conditions, and trans-

portation practices in areas where farmers recruit workers from out-of-State sources." (1959: 106)

Women Workers

It is recognized today that women's employment is essential to the national economy.

"More than nine-tenths of all nurses, telephone operators, dietitians, stenographers, typists, and secretaries are women; more than three-fourths of all textile spinners, cashiers, bookkeepers, schoolteachers, and those who serve food in restaurants are women; and half or more of all sales workers in retail trade and of factory operatives in a dozen important manufacturing industries are women.

"At present, about a third of all women of working age are in the Nation's labor force. Most women are employed at some time in their lives. More than half of all women workers are married, and about a fourth of those have children under 18 years of age.

"The process by which women spearheaded the movement for an 8-hour day, a living wage, and improved working conditions is blueprinted in many Department bulletins.

"In recent years, as standards for hours of work, minimum wages, and industrial safety and health have advanced, the Department has turned its attention to increasing the effectiveness of women's contribution to the labor force and to equality of opportunity and equitable treatment for men and women workers." (1954: 20)

"There is no Federal law applying specifically to women in the labor force. The advisory services of the Department, however, are given on request to State authorities and to civic, labor, and women's groups working to strengthen equal-pay laws in many of the 13 States where they are already on the statute books, or for the passage of equal-pay laws in various other States.

"As part of its function of promoting the interests of wage-earning women, the Department furnishes technical assistance to State labor departments and civic and women's organizations on State minimum-wage laws for women." (1954: 26)

A conference on the effective use of womanpower was held in Washington during 1955 "to consider the contribution of women to the national economy and ways of raising the level of skill of working women." (1955: 93) In the Department itself, women's affairs were established as a major overall program coordinated by the Director of the Women's Bureau acting as assistant to the Secretary.

A series of reports was published on occupations for women, including teaching, law, medical technology, banking, engineering, accounting, beauty service, mathematics and statistics, nursing, secretarial work, office machine operation, and the Federal service.

To help mature women in search of work, the Bureau initiated and conducted, with the cooperation of women's groups in major cities, a series of one-day earnings opportunities forums in which community leaders met with the women themselves and discussed their problems. (1956: 16) In this way many women were helped either to find jobs or to prepare themselves more adequately for employment. The meetings were "helpful in giving confidence and practical suggestions to the women who desire work, in stimulating projects for training or retraining those who need it, educating employers on the capabilities of older women workers, and promoting increased cooperation among local agencies." (1957: 257-258)

The Women's Bureau is responsible for the analysis of State legislation on minimum wages and hours and conditions of work. It publishes continuing revisions of its analyses and gives technical assistance to State authorities in improving their minimum wage laws. In many States the promotion of this legislation for women and children has also resulted in improvements for men.

During the period here under review the Bureau conducted a series of annual studies on the employment status of college women graduates. Considerable information was published by the Bureau on the legal and political status of women, on women in jury service, and on the civil rights of women.

In 1957 the Congress authorized the appointment of a small field staff for the Women's Bureau. These officials travelled all over the United States, working with Federal agencies involved in the employment of women and numerous groups and public agencies interested in women's welfare. Considerable work also was done with groups of women visitors from foreign countries who come to the United States under government auspices.

Worker Training

Functions performed by the Bureau of Apprenticeship and Training were outlined in the 1954 report, which said the Bureau:

"1. Promotes the development and operation of effective apprenticeship-training programs.

"2. Helps management and labor to establish basic standards for the employment and training of apprentices.

"3. Assists national employer associations and labor organizations to develop and implement national trade standards of apprenticeships.

"4. Assists local employers or groups of employers and employees to develop programs of training for apprentices. Provides continuing technical information and services concerning the operation of such programs.

"5. Provides assistance on methods of organizing and carrying out on-the-job training for all kinds of industrial employees.

"6. Develops and makes available to industry technical material on training such as reports on successful training programs and 'how to do' type pamphlets." (1954: 34)

Finding that the number of apprentices completing training each year was considerably less than the number of new craftsmen needed to replace losses due to retirement and death and to allow for expansion of the labor force, the Department planned a more vigorous promotional campaign.

One of the more significant developments was the employment of national directors or coordinators of apprenticeship, hired jointly by the international unions and the national associations of contractors in the major building trades involved (1954: 37), and financed by a small assessment on each participating employer for each man-hour worked. (1956: 58) The funds were considered tax exempt. (1959: 64)

Special surveys were made of the need for apprenticeship in several of the major manufacturing industries: foundries, electric power, machine tools, etc.

Special attention was given to the training of craftsmen in contract-operated establishments serving the Atomic Energy Commission.

Surveys of former apprentices showed very large percentages employed in the skilled trades in which they were trained or in closely related occupations, and most of them reported that the kind of training they had received during their apprenticeships was reasonably appropriate. (1957: 62)

Some measure of the activity of the Bureau is reflected in the Director's report for 1958:

"Assistance in setting up or improving training programs was given to 145,000 establishments and 6,800 joint apprenticeship committees. More than 18,000 firms were assisted in setting up training programs for journeymen in new processes and methods. Nearly 35,000 apprentice registrations, completions, or cancellations were recorded, and some 5,000 new or revised written apprenticeship programs were reviewed. Completion certificates were issued to 8,500 apprentices, and certificates of meritorious service were awarded to 250 persons giving voluntary help in the development of training programs." (1958: 20)

Labor Statistics

In 1954, under instructions from the President, the Departments of Labor and Commerce began to issue a joint monthly release on employment and unemployment. This release combined what, prior to that time, had consisted of three separate and uncoordinated sets of figures; but the public found them confusing. (1954: 56) The reconciliation of data became the responsibilities of the Bureau of the Census, the Bureau of Labor Statistics, and the Bureau of Employment Security, acting together under the coordinating chairmanship of the Bureau of the Budget. At the end of 1959 the responsibility for analysis and publication of these labor force data arising from the Census Bureau's Current Population Survey was transferred to the Bureau of Labor Statistics. At the same time responsibility for the collection and publication of construction statistics and for the publication of Construction Review was transferred to the Department of Commerce. (1959: 195)

Funds granted by the Ford Foundation to the Wharton School of Finance and Commerce of the University of Pennsylvania were made available in 1955, permitting a comprehensive analysis of the Bureau's 1950 survey of consumer expenditures and its extensive research studies of consumer income, spending, and savings in the United States. By 1957 the analysis was completed, comprising 18 large volumes of statistics and analysis. In 1959 the Bureau prepared and the Department published a book on "How American Buying Habits Change," in which the findings from all previous studies of consumer buying habits from 1875 were brought together in compact form in a single small volume.

The computation of both the Consumer Price Index and the Wholesale Price Index was considerably facilitated by the introduction of an electronic data computer obtained by the Bureau in 1958. (1959: 192)

Use of the CPI for wage escalation in labor-management contracts did much to concentrate attention on the index as a measure of inflationary pressures.

Toward the end of the period here under review, projects were underway for a further consumer expenditures survey to obtain data relating to 1960 and 1961, and for a revision of the Consumer Price Index to be introduced into the index for January 1964.

In the area of wages and industrial relations, major developments included: studies required by Congress on the economic effects of the \$1-an-hour Federal minimum wage, effective 1956, in low-paying industries and areas; the publication of a layman's "Guide to Labor-Management Relations in the United States"; a special revision of the "Directory of Labor Unions" resulting from the AFL-CIO merger in 1955; and the publication of background statistics bearing on the prolonged steel dispute of 1959.

Considerable work was done during this period in developing studies of productivity and the effects of automation. Indexes for the measurement of productivity were developed with respect to both physical value and net value added.

"... The reception of the Bureau's productivity and technological reports was especially pronounced. This resulted in part from the national concern over rising prices and wages which are intimately related to productivity growth. In addition, the drama of new technology continued to capture the attention of many segments of our population, raising fears in some and hope in others." (1957: 181)

As part of this general area of study the Bureau published in 1958 an extensive bibliography on productivity, and completed a report on the effects of automation on older workers in certain industries.

In 1954 the Bureau of Labor Statistics celebrated its 70th anniversary. At that time the Monthly Labor Review, issued by the Bureau, was in its 40th year of publication.

Unemployment Insurance

"The Unemployment Insurance System provides immediate and direct help to workers, business, and the entire community.

"For eligible unemployed workers, unemployment insurance replaces a part of the wage loss, as a matter of right. It is available after a short waiting period. It helps the worker buy food, housing, and other essentials for himself and his family. Since unemployment benefits are paid at public employment offices, unemployment insurance claimants have the benefit of employment service facilities.

"For employed workers, unemployment insurance gives a sense of security, of confidence that, should they lose their jobs, they will have some income during periods of involuntary unemployment.

"Unemployment insurance helps maintain markets for business through its contribution to the purchasing power in the local community, the State, and the Nation.

"The maintenance of local purchasing power prevents the rise of secondary unemployment in the community—in the businesses which serve the workers. The maintenance of local purchasing power also helps the producers of the products these communities buy. The cumulative effect of this experience in various communities is a bolstering of the entire economy.

"Unemployment insurance helps individual employers maintain their own labor forces during seasonal unemployment or temporary interruptions of employment, such as for retooling; it keeps skilled workers in the area where they will be needed in a few weeks.

"The direct benefits of unemployment insurance to individual workers and individual employers indirectly benefit the entire community. Unemployment insurance has sustained communities while their principal industrial establishments were closed down.

"Unemployment insurance spreads the cost of unemployment. Employers contribute both in good years and bad years to meet the cost of unemployment in bad years. Without such reserves, any unemployment relief extended would have to be financed by raising local taxes in emergencies. Unemployment thus becomes a budgeted charge on industry, rather than an emergency cost to the community.

"The cash benefits of unemployment insurance are paid to the workers by the State employment security agencies; however, the Social Security Act commits the Federal Government to specific responsibilities in connection with the program." (1954: 46-47)

During 1958 and 1959 the efficacy of the unemployment insurance system was put to a stringent and revealing test:

". . . the unemployment rise was first felt in the 1,800 local employment offices of the Federal-State system of unemployment insurance. The unemployed first sought jobs, but if jobs were not immediately forthcoming, they called to claim their unemployment insurance benefits.

"In most localities the number seeking jobs far exceeded the job openings listed. . . .

"Fortunately for the Nation and its newly unemployed, the unemployment insurance program had been greatly strengthened since the last recession, even though serious shortcomings persisted. The amount of weekly benefits and the duration of those benefits had been increased, thus putting more dollars into the pockets of the unemployed. Unemployment insurance protection also had been extended to many millions of workers, so that almost 80 percent of the nonfarm wage and salary workers were covered. . . ."

Obviously, the most important task was "to provide income promptly to those who could not be placed in jobs. Official records show that the Federal-State system met this challenge by working overtime, by expanding local office facilities, by cutting red tape, and by putting the interests of the unemployed above every other consideration."

Records showed that "the unemployment insurance programs provided a bulwark in the maintenance of total personal income as well as of the individual incomes of unemployed workers who qualified for benefits. Thus, during the year, employment security won unprecedented national recognition as the Nation's quickest and most automatic economic stabilizer and its first line of defense against personal hardship."

Although "undoubtedly many suffered because unable to meet their financial obligations, the restorative impact of these payments on the morale of the recipients and in the economic resuscitation of local business was great." (1958: 11-13)

A major problem arose out of the discovery that many workers quickly reached the end of the benefits to which they were entitled, and had nothing further to go on. Recommendations for remedial action were sent to Congress, which in June 1958 enacted emergency legislation "extending duration of benefits by 50 percent for claimants exhausting benefit rights under regular programs. Thanks to this legislation providing longer duration of benefits, millions of workers who normally would have been cut off from all income when they drew all benefits to which they were entitled under permanent legislation were provided income until they could find jobs. About 22 percent of all benefits paid out during the year were received by claimants who qualified for benefits under temporary legislation." (1959: 88)

Under the strains of this emergency, however, the unemployment insurance system proved in some respects to be inadequate:

"The rising proportion of exhaustees was evidence that the duration of benefits provided by State laws was not long enough to protect against unemployment during even a relatively short recession. . . .

"Another weakness was the fact that the unemployment insurance program did not cover all workers who should have protection. Nationally, about 13 million workers, comprising 20 percent of the nonagricultural wage

and salary workers and virtually all agricultural workers, are excluded from the protection of unemployment insurance.

"Many financial weaknesses and potential trouble areas were revealed also. . . .

"The dramatic rise in benefit costs put heavy strains on the State benefit reserve systems, providing the severest test yet of their adequacy. Most of the weaknesses revealed were highly technical in nature. But they added up to failure to collect enough excess taxes or contributions in years of low benefit costs to support heavy payments in recession years. . . . Most of the States involved are already taking some remedial action" (1959: 117-118)

Wages and Hours¹

Fiscal 1955 was the last full year in which the Wage and Hour and Public Contracts Divisions administered the 75-cents-an-hour minimum wage under the Fair Labor Standards Act. Amendments to the act, effective March 1, 1956, increased the minimum wage to \$1 an hour.

". . . No changes were made in the coverage and exemption provisions of the act, nor in its overtime pay and child labor standards.

"The amendments, however, substantially changed the procedures for establishing minimum wages in Puerto Rico and the Virgin Islands [and] required that the annual report to the Congress by the Secretary of Labor should contain an evaluation and appraisal of the minimum wages established by the act, together with any recommendations of the Secretary with respect to the law." (1956: 185)

"Funds were provided for 283 new investigator positions and the necessary additional supervisory staff as well as for the opening of 29 additional field offices and 110 more itinerant stations. . . ." (1956: 186)

"The greater dispersion of field offices and itinerant stations provides better service to employers and employees by making personnel more accessible to consultation, and thus affords a means for achieving better compliance in particular areas. It also cuts down travel expenses. . . ." (1956: 187)

"The amendment to the minimum wage provisions made it necessary to review all regulations, interpretative bulletins, and public statements of policy for conformance to the new \$1-an-hour minimum wage. All sections which made reference to the former 75-cents-an-hour minimum wage or which contained examples based on hourly rates of less than \$1 were revised." (1956: 206)

"It was necessary to revise the special minimum rates provided for learners under all supplemental industry learner regulations, and to develop appropriate revised learner standards for miscellaneous industries. . . ." (1956: 210)

¹ A brief 20-year history of the operation of the Fair Labor Standards Act was included in the departmental report for 1958, pages 208-223.

Raising the minimum meant, however, that many more establishments and employees would be involved in the administration of the law. "The Divisions [therefore] undertook a major educational campaign to inform employers, employees, and the general public about the increase in the minimum wage and to remind them of the other requirements of the Fair Labor Standards Act. The program was begun well in advance of the new minimum's effective date, so that business and industry could prepare to make the necessary adjustments. . . .

"Early in January, the Nation's 800,000 establishments with covered employees were sent a circular which called attention to the basic statutory provisions. Attached was the poster which all covered firms must display and a coupon on which the employer could send his own questions to the Divisions. . . . Also distributed was a 'payroll marker,' designed to show management how to figure the regular rate of employees in instances where the effective date of the new minimum would not coincide with the first day of the employer's own workweek.

"Fourteen illustrated pamphlets, written in layman's language, were prepared. The most comprehensive one was the Handy Reference Guide to the Fair Labor Standards Act. . . . Among the other leaflets were those dealing with such matters as how to compute overtime pay, how to keep time and payroll records, and what constitutes hours worked. Explanations of how to apply some of the major exemptions, such as those for retail establishments, agriculture, and 'white collar' employees, were presented in concise language. Several pamphlets dealt exclusively with the child labor provisions. Also published was the first digest of the Public Contracts Act, and answers to some of the most frequently asked questions concerning that law. . . .

"To call the attention of management in major industries to the amended law, the Divisions wrote articles on the application of the statutory provisions to specific businesses and elicited the cooperation of editors who published them in leading trade magazines. These articles were so favorably received by employers that many trade associations, including those for banks, garment manufacturers, textiles, and newspapers, reproduced them for their individual members.

"Small illustrated posters referring to the new \$1 rate were placed in post offices throughout the Nation and on various Federal, State, and local government office bulletin boards, as well as in chamber of commerce offices and union halls.

"Radio, television, and the press enthusiastically supported the Divisions' efforts. . . . The use of an educational insert in the classified advertising section of newspapers, stressing the minimum wage, was an eminently successful technique in bringing the statutory provisions to the notice of both prospective employers and employees.

"Public interest in the amended law was reflected in the requests for speakers which the Divisions received from many types of employer and employee groups, civic and trade organizations, conventions, and service clubs.

Regional directors or their representatives reported that their talks were well received and evoked many questions from the audiences.

"Wage-Hour officials took part in meetings with veterans' organizations, service clubs, civic societies, and local chambers of commerce. At the request of the United States Chamber of Commerce, the Divisions developed a standardized format for conducting formal clinics which the national chamber desired to sponsor in cooperation with local chambers and the Divisions' representatives." (1956: 204-205)

"While educational and information programs reach specific segments of industries with compliance problems as well as wide cross sections of management and labor, and while their general effect is to alert and remind the public about the acts and induce affected firms or persons to make further inquiries as to the application of the law in given situations of fact, they do not fulfill the same functions as investigations. Physical investigations must be undertaken in order to determine if individual firms are in compliance and to correct violations where found. A sound investigation program is the most effective deterrent against violations of the law, whether due to carelessness, misinterpretation of the statutory provisions, or willfulness." (1958: 231)

Some idea of the conditions of employment uncovered by investigations may be derived from a summary of occupations in which minors were found illegally employed during 1957:

"Although no child under 14 years of age may be legally employed, unless specifically exempt from the child labor provisions, many such children were found working in a wide variety of jobs. Among the dangerous jobs these very young children were doing, for which an 18-year minimum age has been set in the various hazardous occupations orders, were skidding logs, cutting, loading, and hauling pulpwood, driving a tractor to haul logs to the sawmill, operating a freight elevator at a wholesale beer concern, operating a scrap-paper baling machine, and acting as helpers on milk and soft-drink delivery trucks.

"Children under 14 years of age were also found engaged in many kinds of work for which a 16-year minimum age is required. These children were shaking out hides at a meatpacking plant, tending a cotton-braid machine, sorting metal scrap at a junk yard, operating a buttonhole machine, and packing candy in a manufacturing plant. Some of these young children were helping their mothers do industrial homework such as stringing beads, making holly wreaths and hooked rugs, and lacing moccasins and leather purses.

"The act provides for the employment of 14- and 15-year-old children in occupations other than manufacturing or mining at periods which will not interfere with their schooling and under conditions which will not interfere with their health and well-being. These protective provisions are not always adhered to, and many children in this age group were employed at manufacturing and mining occupations and at hours which would interfere

with health. Some of the jobs these children were doing were doffing in the spinning room of a mill, finishing dresses, acting as bundle boys in clothing factories, working as roustabouts on oil rigs, and catching chickens for a poultry-processing plant from 7 p.m. to midnight.

"A number of the 14- and 15-year-old children were employed at jobs which were subject to hazardous occupations orders. These jobs included mining of coal and manganese ore, cutting timber for a coal mine, operating a power-driven platen press and a guillotine papercutter, boning meat and butchering on the killing floor of a meatpacking plant, and work in woods operations such as limbing trees, skidding logs, operating a bucksaw and offbearing from a ripsaw." (1957: 208)

Despite the increase in activity that this amendment caused in the Department, the Secretary of Labor was not entirely satisfied with the law's application. In 1957 he presented "recommendations to both subcommittees [of Congress] to extend the coverage of the act to employees in enterprises having 100 or more employees and substantially engaged in interstate commerce. . . . He also recommended that, with some exceptions, covered employees now exempt . . . who are employed in enterprises having 100 employees or more, be brought under the minimum wage provisions. An estimated 2.5 million additional employees, most of them in retail stores, would be brought under the \$1 minimum wage by both recommendations. Only a small proportion of these employees would be brought under the overtime pay provisions. The recommendations would not affect the agricultural, agricultural processing, fishing, newspaper carrier, or executive, administrative, and outside salesman exemptions." (1957: 202) Congress, however, failed to act on these proposals.

The concluding remarks to the 20-year history of the Fair Labor Standards Act, published in the 1958 report, offer a present-day appreciation of the social and economic meaning of this significant law:

"In a highly industrialized and diversified economy such as that of the United States, a minimum wage law performs a somewhat narrow but important economic function. The Federal minimum wage, like the other provisions of the act, sets a standard in the labor market, as do State minimum wage laws which apply to types of employment that are outside the scope of the Federal law. Such laws tend to prod establishments that have lagged in management, in technology, and also in wages paid their employees. In a dynamic economy, thousands of establishments are started every year, and thousands go out of business. If an enterprise can stay in business only by paying wages below the legal standard applying equally to its competitors, it is a drag on the industry and a burden on its employees.

"When the Congress sets a new minimum wage, it sets the lowest wage that can legally be paid for work to which the law applies. Adjustments must be made so that the work that is done carries that wage. If the payment of the wage means a somewhat higher price for the product, out of the many that the people buy, then that price should be paid, so consumers will

not benefit from exploitation of the workers and the industry. If the increased wage is covered by improvements in management or in productivity, society gains, as well as the worker. If an employer can pay the wage with no change in his methods, then he is being brought into line with what the bulk of his competitors are already paying." (1958: 222)

Workmen's Compensation

The year 1958 marked the 50th anniversary of Federal workmen's compensation in the United States. As the departmental report noted:

"... The original Federal act providing limited benefits to certain civilian Federal employees injured at work was passed in 1908. By 1916 a uniform system for all civilian Federal employees was designed by legislative enactment. In 1927 a separate act established benefits for employees in private offshore stevedoring pursuits and also for shipyard repairmen.

"Later legislation has encompassed private employees in the District of Columbia, defense base workers, Outer Continental Shelf lands activities, and civilian workers employed by nonappropriated fund instrumentalities of the Government. Other acts administered by the Bureau of Employees' Compensation require continued benefits for injuries sustained by emergency relief workers, civilian war risk casualties, military reservists, and war claims cases.

"Despite this necessarily complex network of legislation and heterogeneous coverage, the basic purpose of the Federal workmen's compensation system is a very simple and specialized one. It is to provide immediate care for the injured employee. The essential elements of this care are timely first aid, adequate medical attention, compensation for loss of earning capacity, and rehabilitation.

"As a pioneer venture, workmen's compensation provided great impetus to accident prevention and significant expansion in the field of other social benefit legislation. Compensation benefits are paid by the Federal Government to its own injured employees through appropriated funds; those to private employees are provided and paid by commercial insurance or supervised self-insurance. Altogether, probably 3.5 million workers are covered under the system in the event of a work injury. Both traumatic injuries and occupational diseases are ordinarily compensable. During 1958, Federal disbursements for compensation benefits, including medical, amounted to \$59.6 million, up 6.2 percent from the previous year." (1958: 71)

The adequacy of workmen's compensation in the States, however, became a major question for improvement:

"The workmen's compensation laws [of the various States] usually base compensation on two-thirds of the workers' average weekly wages. They also set maximum dollar limitations on weekly and total benefits. When compensation laws were originally passed, the dollar limitations on benefits were sufficiently high so that the workers usually received the percentage specified.

"Today, the picture is entirely different. Although in recent years benefits have been increased somewhat by liberalizations of weekly and total maximum, they have not kept pace with rising wages and increased costs. The dollar limitations on maximum payments usually operate to nullify this statutory percentage. Far from receiving the proportion of his wage loss that the percentage would indicate, it has been estimated that the worker temporarily disabled usually receives only one-third of his wage loss. The worker gets so little that often benefits must be supplemented by relief." (1954: 19)

The need for improved benefits and extension of coverage became a matter of major concern to the Department beginning in 1954. The promotion of improved standards became a major objective of the then Under Secretary, who, even before assuming office, had been a nationally recognized specialist in this field:

"A model workmen's compensation bill is being prepared by the Department to help the States, by making available to them the best thought and experience incorporated in the various State workmen's compensation laws. The first draft of this bill has been developed by taking the most successful features of many of the State acts. This 'discussion draft' has been completed, and 2,500 copies of it have been circulated among interested groups and specialists in the field of workmen's compensation for comments and suggestions. A final draft will be prepared on the basis of the comment received. It will be available as a practical guide to assist States in their efforts to improve workmen's compensation laws." (1955: 10)

Leaders in Congress were convinced that such a bill would be opposed by employers and others. The model bill was therefore shelved.

As regards workmen's compensation for Federal employees, a study made during 1957 showed that between 1951 and 1955 there had been an overall reduction of 7.5 percent in disabling nonfatal work injuries, and a 50 percent reduction in the fatality rate. (1957: 68) These improvements were attributed, certainly in part, to the drive to eradicate unsafe acts and hazardous work conditions among Federal employees, many of whom are engaged in hazardous work.

In the field of private employment still covered by Federal law, particular attention was given to the plight of stevedores:

"Undoubtedly the most inherently hazardous work covered by the various employment acts administered by the workmen's compensation bureau of the Department [of Labor] is that of offshore stevedoring. It is often considered more dangerous than coal mining, logging, or heavy construction. About 100,000 longshoremen are yearly exposed to its hazards. They work for some 1,200 employers in 100 ports throughout the Nation. The work these longshoremen perform is complex and arduous. They do dangerous rigging, crack open hatches, climb down dungeonlike holds, sling bulky treacherous loads, run winches, handle hatch beams, gangways, and maneuver cargo of all kinds to and from ship. Their work is seasonal and marked by

frequent shifts from one employer to another. Their workplace changes from ship to ship. Inclement weather and ever changing work conditions add to the hazards. Frequency, severity, and cost of such injuries runs high" (1957: 69)

Although, in regard to medical care for longshoremen injured on the job, Federal benefits had been more liberal than those extended under workmen's compensation legislation in other areas of private employment, it was felt that greater effort was necessary to reduce safety hazards. Congress therefore enacted legislation in 1958 "authorizing the Secretary of Labor to prescribe and enforce safety standards to be maintained by employers of employees covered by the Longshoremen's and Harbor Workers' Compensation Act." (1958: 8)

Employees' Compensation Appeals Board

Decisions of the Bureau of Employees' Compensation regarding Federal employees are subject to review by the Employees' Compensation Appeals Board. How this Board operates is described in the 1958 report:

"The Employees' Compensation Appeals Board consists of three members appointed by the Secretary of Labor. It is separate and distinct from the Bureau of Employees' Compensation. The administration of the Federal Employees' Compensation Act is vested solely in the Bureau. The Board is a quasi-judicial body, which was established by Congress in 1946, with exclusive jurisdiction to consider and decide appeals by Federal employees from final decisions of the Bureau. . . . Prior to that time there was no provision for review. . . . A decision of the Board is final and not subject to court review. The jurisdiction of the Board extends to questions of fact, as well as law, and to questions involving the exercise of discretion. Board review is limited to the case record upon which the Bureau rendered its decision; new evidence may not be submitted to the Board.

"Appeal is a matter of right, if the application for review is filed within 90 days from the date of the Bureau's decision. [The Board] may extend the time for filing to 1 year. . . . It is not necessary for an appellant to be represented before the Board. . . .

"When an appeal is docketed, the Bureau is furnished with a copy and is permitted 30 days within which to file with the Board the original record of the case and its reply. . . . Since either the Bureau or appellant may demand oral argument . . . the Bureau memorandum states whether oral argument is, or is not, requested. The applicant then is furnished with a copy of the Bureau memorandum and is given an opportunity to respond thereto. . . .

"If either party requests oral argument, a hearing is scheduled. The Board sets the issues to be heard and sends notices to the parties at least 10 days in advance of the hearing. . . . The hearing procedure is informal. An appellant may appear in person before the Board or by representative. . . .

"In each appeal reviewing the merits of a claim, the Board's decision is accompanied by a written opinion setting forth the salient facts, the conclusions, the law, and the reasoning upon which the Board based its action.

"[In each case] the Board enters a formal order disposing of the matter on appeal. The order may affirm or reverse the decision of the Bureau or may remand the case to the Bureau for further proceedings as the Board may direct. . . .

"All fees for legal services . . . require the approval of the Board. . . .

"The opinions of the Board are comprehensive and constitute a valuable fund of precedent which serves not only to guide the Bureau in the adjudication of claims, but also as an important source of reference to injured employees, attorneys, and others concerned with problems of workmen's compensation. . . ." (1958: 83-85)

Labor-Management Reports

The Labor-Management Reporting and Disclosure Act of 1959, designed to eliminate improper activities by labor or management, was passed by the Congress and signed into law by the President on September 14. The act provides certain protection for the rights of labor organization members; provides for the filing of reports describing the organization, financial dealings, and business practices of labor organizations, their officers and employees, certain employers, labor relations consultants, and unions in trusteeship; safeguards union election procedures; sets standards for the handling of union funds; amends the Taft-Hartley Law to eliminate the "no-man's land" in NLRB cases; closes previously existing loopholes in the protection against secondary boycotts; and limits organizational and jurisdictional picketing.

To administer those sections of the law for which it is responsible, the Labor Department established a Bureau of Labor-Management Reports. Portions of the statute which amend the Taft-Hartley Act are administered by the National Labor Relations Board.

Under this act, the receiving of union financial and organizational data, previously assigned to the Bureau of Labor Standards, became an activity of the new bureau.

Labor Standards

"Many people come to the Bureau [of Labor Standards] for information, advice, help, or technical assistance on State labor legislation and administration. . . .

"Their requests ranged through the entire spectrum of labor law. A labor commissioner in a Midwestern State asked for help in strengthening his mediation facilities. A southern workmen's compensation commission requested help in improving procedures for processing and filing claims. A special legislative commission in a large eastern industrial State needed information on the rehabilitation procedures followed in other States. A

member of the house of representatives of a Southwestern State, preparing to introduce a minimum wage bill, asked for help in developing its substantive provisions. A State civic group working with the State labor department to prevent breakdown in child labor standards asked for help in revising the amendments that had been offered. The Council of Industrial Health of the American Medical Association wanted to know how second-injury funds could be used to help handicapped workers get jobs. The labor adviser of the governor in a State came in for advice and recommendations for developing a coordinated labor department in the State. A professor from a large university came to the Bureau to get information for a chapter on labor legislation in a sociology textbook. Reporters representing newspapers, wire services, and magazines called, came, or wrote for news of State industrial relations legislation. The chairman of a State migratory labor committee asked for help in drawing up the agenda of a conference on migratory labor. State labor organizations asked for assistance in developing amendments to their workmen's compensation laws. The daughter of a man killed on the job wrote for advice on her mother's rights under the workmen's compensation law." (1956: 137)

Of special concern to the Department during recent years have been problems relating to the workmen's compensation aspects of atomic energy and the growing danger connected with radiation exposure among American workers. Earliest efforts were reported in 1956: "A beginning has been made in determining changes needed in workmen's compensation standards . . . and groundwork has been laid for a study of coverage of radiation exposure under present State laws." (1956: 139)

A problem of widespread interest was "right to work" legislation: The introduction in some States of bills restricting or supervising union activities "brought a marked increase in requests for information on both 'right to work' and other union-restrictive legislation." (1957: 159)

Other reports from the States indicated "progress in improving housing for migrants in a number of areas and action in improving regulations governing labor camps. A few States have established regulations for intra-state transportation and for registration of crew leaders. Efforts have increased to get migrant children enrolled in local schools while they are in the area, and a number of new experimental schools have been established." (1958: 162)

During 1959, the legislatures of 47 States and Puerto Rico met in regular session. "Some 3,500 bills and acts relating to labor were recorded and indexed by subject, with the more important of these analyzed. Significant advances in legislation made during 1959 included laws in the fields of workmen's compensation, migratory agricultural labor, minimum wages, and discrimination in employment." (1959: 172)

As regards child labor and youth employment the Bureau reconstituted its Advisory Committee, which recommended an intensive effort to help youth complete high school, a wider understanding of the purpose and actual

provisions of State and Federal child labor laws, and the circulation of reports on creative programs serving school dropouts, such as summer jobs and community services to correct physical, emotional, and social disabilities that make it hard for youth to get and hold jobs. (1956: 140)

Labor force analyses showed that: "Young people will be an increasingly important segment of our labor force as the manpower shortages in the age group born in the thirties are felt. By 1965 there will be over 4 million more young workers (14-24 years old) in the work force than there were in 1955. Their education, training, and induction into employment must not be left to chance." (1958: 163) In connection with these problems, the Department published chartbooks predicting trends and indicating the problems that would be involved.

The Bureau's safety programs were considerably strengthened by an amendment to section 41 of the Longshoremen's and Harbor Workers' Compensation Act, which charged the Bureau with "the responsibility for developing the necessary organization, programs, and regulations to implement effectively the provisions of this law." (1959: 167)

"Longshoremen working aboard a ship, and shipyard workers making repairs on a ship either in drydock or afloat, are covered by the Federal workmen's compensation law rather than State law. Their safety is also a Federal, rather than State, responsibility. That responsibility has been delegated by law to the Department of Labor, and rests with the Bureau of Labor Standards. Safety in oil well drilling off the Continental Shelf of Mexico is also subject to Bureau investigation and recommendations." (1958: 168-169)

The Bureau continued to assist States, unions, and other interested groups in the technical aspects of developing safety codes, and in establishing close coordination with such organizations as the American Standards Association. It also continued to provide the staffing for the biennial President's Conference on Occupational Safety, and for the Federal Safety Council, which advises the Secretary of Labor on the development and maintenance of effective safety organizations and programs in Federal agencies.

Under the Labor Management Relations Act of 1947 the Bureau of Labor Standards maintained a system for the registration of labor unions wishing to use the services of the National Labor Relations Board. With the enactment of the Labor-Management Reporting and Disclosure Act of 1959, however, this function was changed and transferred to a new bureau in the Department.

In 1958, after considerable investigation of charges of corruption and inept administration in handling of employee benefit plans in industry, the Congress passed the Welfare and Pension Plans Disclosure Act, having as its objective the publication of and making available to participants and beneficiaries under any such plan a description of the plan and its financial operations:

“. . . The act is primarily a self-administering measure; the policing of the disclosure and publication requirements of the act rests with the participants and beneficiaries covered by the plan. The Secretary of Labor has no investigative or enforcement functions. He has no authority to interpret the statute nor to issue rulings designed to clarify the law. Under the act, the Secretary has two basic responsibilities: (1) to make available for examination, in the Public Documents Room of the Department of Labor, copies of the plan descriptions and annual reports which the act requires to be filed, and (2) to prepare forms for the descriptions of plans and the annual reports required by the provisions of the act—and to make such forms available to plan administrators upon request.” (1959: 163–164)

International Labor Affairs

“With respect to international affairs, the Department has a number of important responsibilities. These include advising the Department of State and other agencies regarding labor developments abroad that affect United States foreign policy objectives. It assists in the selection and training of labor attachés and other Foreign Service personnel, participates in forming United States policy regarding international agencies and foreign economic policy, and operates an exchange-of-persons program. It has a primary responsibility for leadership in United States participation in the International Labor Organization.” (1957: 22)

“During the postwar years, the need for research on foreign labor issues has grown immensely. Among the many reasons for this growth are the continuous extension of the geographical areas subject to the policies and operations of the United States, the growing significance of the labor factor in all continents, its strategic importance in the world-wide struggle with Communism, and the new devices developed for this struggle in the fields of foreign trade, foreign aid, technical assistance, and public information.

“The program as presently constituted collects, analyzes, and maintains information on labor conditions, labor laws, and labor institutions in a limited number of significant foreign countries, and on international labor activities and organizations. The program consists of preparing reports and analyses and rendering any other informational services needed for policy-making and operational activities in the foreign and international field, and for the clarification of domestic labor issues.” (1954: 76–77)

To obtain this information, “the Departments of Labor and State jointly administer the labor attaché program, which is a component of the ‘unified Foreign Service’ as established by the Foreign Service Act of 1946. These officers in the American Embassies throughout the world provide all of the interested Washington agencies—and particularly the Department of Labor—with factual analytical reporting concerning pertinent economic and political aspects of foreign labor.” (1957: 37)

“The work of the labor attachés, when combined with the work of the Department’s Washington personnel, have made possible a wide range of

services to union and management officials concerned with overseas operations." (1954: 78)

"American trade unions, with heavy stakes in foreign union developments, have been eager to obtain detailed facts about trade-union developments in various parts of the world. The Department has made available to American labor organizations lists of national trade-union centers and international labor organizations and trade secretariats and their affiliates throughout the world. Thus, if a particular union in Africa or Asia, for example, writes to an American union, the American union has available some information on the foreign union's background." (1954: 76)

By 1959 the Foreign Service Labor Corps consisted of 48 full-time labor officers and over 100 part-time labor reporting officers, located particularly in "the underdeveloped areas of the world where labor is playing a major political and economic role." (1959: 40)

A useful addition to knowledge contributed by the Department is a series of directories of labor organizations, by continent, published by the Department, and extensively used by governments, employers, and worker groups. The Department also publishes studies of the structure, functions, and effectiveness of international trade secretariats.

Commencing in 1957, "area specialists were assigned to study and analyze labor and manpower problems and developments country by country, formulate departmental policy toward the country, and, after appropriate review and approval, present these policies for inclusion in overall American foreign policy." (1957: 37)

The Department's relationships with the International Labor Organization, with headquarters in Geneva, Switzerland, have been consistently very close. The Director-General of that organization during the 1950's was formerly Under Secretary of the U.S. Department of Labor. Furthermore, the Assistant Secretary of Labor for International Labor Affairs, or even the Secretary of Labor himself, usually heads the American delegation to meetings of the ILO. Consequently, when the Soviet Union decided in 1954 to rejoin the ILO, precipitating discussion over the seating of Soviet worker and employer delegates, the U.S. delegation was among the first to question whether these delegates were properly representative of independent agencies or of the Soviet government. The U.S. delegation also led in promoting the convention adopted in 1957 on forced labor.

In 1957 the question arose as to whether the United States should continue to participate in ILO activities. "Since the reentry of the Soviet Union and eastern European satellite countries into the ILO in 1954, the issue of continued United States participation, and the nature of such participation in the ILO, has been the subject of debate—principally by United States employer organizations. The Secretary of Labor has, on a number of occasions, expressed the view that the United States should not only continue its membership in the ILO, but should play a major role in the shaping of

its program." (1957: 35) After careful study and nationwide discussion, it was decided to adopt the Secretary's point of view.

"The largest operating program of the Labor Department in the international field is the foreign visitor program." (1959: 36) The purpose of this program is to provide training and experience to visitors from abroad who seek an understanding of labor conditions in the United States and to study labor problems.

"The Department's objectives in providing training to those who come from abroad have been, first, to share with them industrial methods which have brought about increased productivity, more mechanization, and a high standard of living for the wage earners of America. Second, the Department seeks to impart an understanding of the practical workings of American democracy by enabling foreign trainees to visit workers' homes, factories, and union and civic meetings, to gain first-hand knowledge of how American workers live.

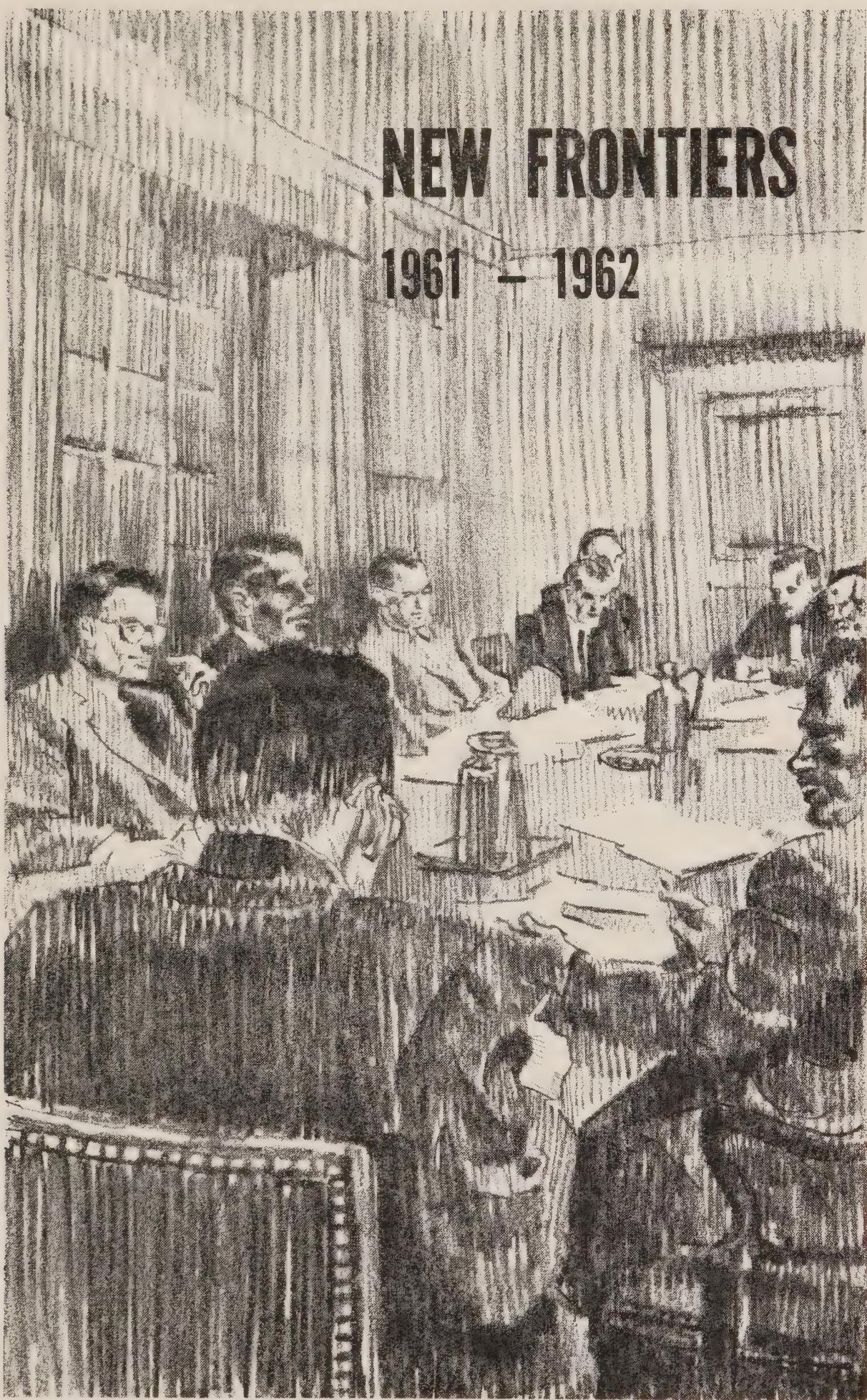
"The Department's work in providing technical training to foreign visitors is not done by pre-arranged or conducted tours. Each visitor (or group) works out the program he wants to follow on the basis of what he wants to learn. He does this in collaboration with trained program officers who know our country's resources for training." (1954: 74)

"The success of these activities is in great part due to the continuation of the excellent cooperation received from American trade unions, industrial establishments, educational institutions, State and municipal agencies, and numerous community and private organizations. These organizations spend a great amount of time in discussions with foreign visitors, provide access to their staff and facilities, and arrange considerable hospitality for the visitors in private homes or elsewhere. This help is important in satisfying the technical and professional interests of the visitor, as well as in having him experience the warmth of American friendship and gain a good insight into the life of our country. . . ." (1958: 35)

At the end of 1959 the Office of International Labor Affairs was supplanted by the Bureau of International Labor Affairs, under the direction of an Assistant Secretary.

NEW FRONTIERS

1961 – 1962



NEW FRONTIERS

1961-62

Arthur J. Goldberg, former general counsel for the United Steelworkers of America, was sworn in as ninth Secretary of Labor on January 21, 1961. As labor adviser to President John F. Kennedy, his scope of service embraced not only the administration of the Department but also problems of broader significance, especially those dealing with collective bargaining at the highest level of national interest.

Collective Bargaining

In connection with this aspect of his work, the Secretary wrote:

"It is obvious that the Department of Labor has primary concern in the state of collective bargaining in the country.

"There is increasing reason for American labor and management to acknowledge and provide for the public interest in their relationship—and increasing cause for confidence that they will do so.

"A fundamental characteristic of the labor-management relationship is that it responds, often more quickly than is realized, to changes in economic life. Further, public policy adjusts for its part to new circumstances that require new accommodations of the general welfare.

"It is becoming clear that we are entering an era in which both the labor-management relationship and public policy face the kind of rapid change that in turn changes them.

"The weight of change is felt at the bargaining table in increasing measure. Almost every bargaining session in recent years has reflected to some degree the increasing mechanization of industrial processes, the accelerating shift in occupational balance toward the highly skilled and 'white collar' jobs, the geographic movement of industry, and, most importantly, the job security of those most closely affected by these changes.

"We have seen the scope of bargaining widened since the war from proposals dealing almost exclusively with wages and hours and conditions to the establishment of hospitalization, retirement, supplemental unemployment insurance, and other benefits, and beyond these to the concepts of the job as property and a man's stake in his employment as similar to a property right.

"Collective bargaining has, on the whole, served its participants well, and will remain the basic mechanism by which parties to an enterprise freely determine the rewards of their effort.

"This democratic institution now faces challenges of a profound nature. These spring from the economic realities of the world around us, characterized by three vast forces: the new economic unity of Europe, which presents us with the need for a decision that may change the course of our history, however we make it; the developing power of the communistic economic world and the use of that power to serve political purposes; and the struggle of new nations to accumulate capital, develop their manpower, and lay the base for an active economic role in world affairs.

"In the light of these forces, the labor-management relationship in America finds itself inextricably involved with the national welfare, to a degree unprecedented. For example, there is no question in my mind that American industry must automate and increase its efficiency, and workers and managers alike must undertake every reasonable effort to step up productivity. The challenge of world markets, especially the Common Market, will shake out the inefficient and the laggard. The test of collective bargaining in this area is how to provide for the best conditions in which a partnership for efficiency can exist, and at the same time provide for the sometimes profound human problems of adjustment that will arise.

"Another example of the impact of national interest upon labor and management bargaining is in the wages and prices area. Our commitments for defense aid, along with resurgent economies in a number of countries, have presented us with a balance-of-payments problem that requires close and calm attention. At the same time, the soundness of the dollar is a precondition for economic growth that is meaningful and not merely a reflection of inflation. In general, overall economic gains by labor and management must be paralleled by increases in productivity. Price stabilization, for its part, is essential to the success of our policies. There is no question we can earn what we need and want in America.

"The goals before us are, I think, clear:

"To prevent inflation and maintain price stability.

"To increase productivity so that labor, management, and the public can all rightfully share in the fruits of progress.

"To remain competitive in world markets.

"To exert our economy to achieve a rate of growth that will provide the means for meeting our domestic and international needs.

"The attainment of these goals is clearly in the national interest. The implications for labor and management seem equally clear, especially in terms of the abandonment of restrictive policies that impair efficiency, in the exercise of statesmanship in meeting the social consequences of change, and in the formulation of wage and price policies.

"All of these challenges are also opportunities; change brings not only problems but promises. I am confident as I have always been in the wisdom of free men. And I believe we are beginning to move forward together in a great common effort in which private policy and public policy both serve the ultimate purpose of the survival and success of freedom." (1961: 9-10)

As the Secretary pointed out in his report for 1961:

"... the basic philosophy of the Administration has been to preserve collective bargaining, not to intervene by dictating the terms of settlement but to use the good offices of the Government to help avert or end strikes." (1961:5)

To implement this philosophy, the President created in February 1961, an Advisory Committee on Labor-Management Policy to study and advise on "policies which will promote free and responsible collective bargaining, industrial peace, sound wage and price policies, higher standards of living, and increased productivity." (1961:5)

Legislation

The 87th Congress enacted several bills of major concern to the Department, including, in 1961:

1. The Temporary Extended Unemployment Compensation Act of 1961, Public Law 87-6, which provides for the payment of additional unemployment compensation to workers who have exhausted their State benefits.

2. The Area Redevelopment Act of 1961, P.L. 87-27, which authorizes a Federal program of economic and technical assistance to areas of substantial and persistent unemployment and underemployment, including retraining programs and allowances for unemployed workers in such areas.

3. The Fair Labor Standards Act Amendments of 1961, P.L. 87-30, which, in addition to increasing the minimum wage to \$1.25, for the first time since the act was passed in 1938 extended the protection of the act to some 3.6 million additional workers.

4. Amendments to the Longshoremen's and Harbor Workers' Compensation Act, P.L. 87-87, increasing benefits under that act. (1961: 34)

During 1962 the Department was given responsibility for the administration of two "top priority" acts—the Manpower Development and Training Act, P.L. 87-145, and the Welfare and Pension Plans Disclosure Act Amendments of 1962, P.L. 87-420. According to the Department's annual report:

"... In signing the Manpower Development and Training Act, the President praised this law as making 'possible the training of hundreds of thousands of workers who are denied employment because they do not possess the skills required by our constantly changing economy.' The amendments to the Welfare and Pension Plans Disclosure Act greatly strengthened that act by granting investigative and enforcement powers to the Department of Labor and providing effective procedures, both civil and criminal, to safeguard the welfare and pension funds of almost 100 million workers and their beneficiaries.

"Other legislation included the Work Hours Act, passed shortly after the end of the fiscal year, and amendments to the District of Columbia Unemployment Compensation Act, improving the unemployment insurance program in the District.

"Another important measure was the subject of congressional hearings during the 1962 fiscal year—the Trade Expansion Act (signed into law October 11, 1962) to enable this nation to enlarge its exports and to provide adjustment assistance for firms and workers who may be adversely affected by increased imports. Hearings were also held on the equal pay bill to prohibit discrimination on the basis of sex in the payment of wages by employers engaged in interstate commerce." (1962)

The equal pay bill was passed by the House of Representatives on July 28, 1962.

Organization and Accommodations

As a result of legislation and new programs begun during Secretary Goldberg's administration, various readjustments and reorganizations were made in the Department. The 1962 annual report stated:

"As the first measure undertaken to improve organization, the responsibilities of the top staff of the Department were redefined, clarified, and reallocated. Following this action, additional organization studies, reviews, and assistance were provided in the areas listed below:

"1. A thorough and comprehensive analysis of the Department's existing manpower responsibilities and of its new responsibilities under the Manpower Development and Training Act of 1962.

"2. Establishment of the Office of Manpower, Automation, and Training to carry out assigned responsibilities for new manpower programs.

"3. Establishment of the Office of Welfare and Pension Plans to administer the additional responsibilities assigned to the Department under the Welfare and Pension Plan Act as amended in 1962.

"4. A recasting of the staff and service functions of the Office of the Administrative Assistant Secretary, with certain of the organization realignments being placed in effect during the year.

"5. A complete reorganization of the Bureau of Employment Security.

"6. Less extensive reorganizations in most of the other bureaus to assure the fullest utilization of the Department's existing resources and capabilities, particularly with respect to assignment of responsibilities for manpower programs." (1962)

Of major concern was the problem of space. Departmental operations were housed in 20 widely separated buildings in the District of Columbia metropolitan area, with a consequent major problem in communication and administration. Shortrun adjustments were made by renting building space in nearby Silver Spring, Md. As a longrun consideration, plans were proposed for "the acquisition of one or two buildings in the downtown D.C. area or preferably the construction of a new building capable of accommodating the entire headquarters staff." (1962)

Automation

Almost every Secretary of Labor, as indicated in the excerpts quoted in earlier chapters of this volume, has expressed some concern over the prob-

lem of technological change and its effects on employment. And the need for a labor supply skilled in the techniques of modern industrial production has been a problem of major consideration ever since World War II. It is significant, therefore, to note the increasing attention given to these problems by the Secretaries during the past decade.

As Secretary Goldberg noted in his 1961 annual report:

"During the past decade, recurring economic recessions have been concentrated in the hard goods industries where automation and technological change have been taking place rapidly. This has left large numbers of workers, frequently with high but now obsolete skills, confronted with long-term unemployment.

"While new technology contributes to the continued growth of productivity underlying our high standard of living, it creates social and economic problems, such as labor displacement and obsolescence of skills, which take time to resolve. For this reason, and because of deep public interest in the progress of technological change, the Bureau is concerned with the problems of adjustment to such changes.

"New automatic equipment and processes, and other technological changes, are believed to have a pronounced effect on the levels of employment and unemployment. The extent of this effect is difficult to measure precisely, because changes in the level of employment caused by automation are entangled with those created by changing consumer tastes, fluctuations in the business cycle, development of substituted materials, foreign competition, shifts in population, and many other factors.

"If the precise measurement of automation's impact on the work force is not available, the implication of extensive improvements in technology for the Nation's occupational structure is nevertheless clear. Existing jobs are undergoing significant modification in many industries, while new opportunities are being created in various fields such as electronic data processing, atomic development, and space exploration."

Manpower, Automation, and Training

From the point of view of the Department of Labor, the greatest single development during Secretary Goldberg's incumbency was the passage March 15, 1962, of the Manpower Development and Training Act. Described by President Kennedy as "perhaps the most significant legislation in the area of employment since the historic Employment Act of 1946," the act provides for identification of manpower shortages, training of the unemployed and underemployed, and a comprehensive program of research.

Under this act:

"The Office of Manpower, Automation, and Training was established in the Department of Labor June 15, 1962, to deal generally with the employment problems created by automation and other technological developments, and specifically to carry out the responsibilities assigned to the Secretary of Labor under the Area Redevelopment Act of 1961 and the Manpower Development and Training Act of 1962.

"The new office supplanted the Office of Automation and Manpower which, since April 1961, had been the unit in the Office of the Secretary responsible for coordinating the Department's work in the field of automation and manpower.

"Primary emphasis in the manpower field during the major portion of the fiscal year was directed at "taking a hard look" at the manpower implications of automation and other types of technological change, and making recommendations for a departmental manpower program.

"The recommendations indicated that the Department's goals of (1) encouraging American industry to make imaginative and effective use of new techniques, and (2) minimizing and mitigating the adverse effects of automation could best be accomplished by a program which followed four major pathways: information, communication, prevention, and amelioration.

"Under the stimulus of the Office of Automation and Manpower, the Department made a beginning in these four areas during fiscal year 1962 in the form of automation case studies conducted by the Bureau of Labor Statistics, demonstration projects sponsored by the U.S. Employment Service to stimulate community action in adjusting to rapid technological progress, and the promotion by BAT of training programs that emphasize broad preparation rather than narrow specialization as a cushion against technological change.

"The National Advisory Committee on Automation and Manpower, composed of representatives of labor, management, education, and training, and of the public in general, met twice during the year to discuss plans and programs in the field of automation and manpower. In their deliberations, the Committee considered the Area Redevelopment and the Manpower Development and Training Acts, manpower activities in the United States and Canada, Department of Labor plans for the coming year, and the role of the National Advisory Committee." (1962)

Labor Statistics

In his 1962 report, the Commissioner of Labor Statistics outlined his bureau's plans to examine anticipated problems of the future:

"In view of the complexity and rapidly changing nature of the economy of the United States, all producers of economic data must regularly reassess the requirements for information of our changing society. To this end, and in response to a request by the Bureau of the Budget, the Bureau during the last year developed a set of program ideas designed to indicate how the Bureau's future activities should be shaped to meet these new requirements. In some instances, these projected needs will entail only a shift in emphasis within current programs, but in other instances wholly new programs must be planned.

"The program proposals developed by the Bureau for the coming 5-year period do not in any sense represent a program which has been approved or adopted. It is, rather, a blueprint for prospective economic and statis-

tical research work which appears to be necessary in the light of the problems of the decade of the 1960's. In any case, plans for future programs must necessarily be scrutinized annually for considerations of practicality in the light of available resources.

"If the American economy is to meet the growing needs of our society, the next few years will be a period of economic expansion, as well as a period of many changes in the utilization of the resources of management, capital, and labor.

"One area which will feel the impact of these events is labor-management relations. A greater knowledge of problems and practices in this field at all levels, as they relate to plants and unions of all sizes, will be required to meet new and complex situations as they arise. New programs of labor-management relations analysis, as well as extended statistical programs in the fields of wages, annual earnings, trends of wages, and fringe benefits will be needed; these are embraced in the Bureau's suggestions for future activities." (1962)

The above objectives would call for a carefully coordinated research plan:

"As a result of the growing concern with the longer range problems of economic growth and employment opportunities in the American economy, a broad program of research has been inaugurated. Since the problems of economic growth are of great interest to many agencies of the Government, an interagency committee has been established to develop the full potentialities of the study and coordinate the efforts of the interested agencies. Within this broad framework, the BLS has the major task of providing a central project staff which has both research and coordinating functions.

"The various aspects of economic growth covered in the research program are quite broad in scope, including trends in population, labor force, employment, occupations, hours of work, productivity, factor payments and income distribution, prices, consumer expenditure patterns, capital stock, investment expenditures, industrial capacity, Government expenditures, foreign trade, etc. The interaction of these factors on each other and their implications for overall economic growth and employment opportunities as well as growth in component sectors and industries, is traced through interindustry and related methods of analysis.

"Work on many of these items in the research program was started during the year. Work on other aspects will be started in fiscal year 1963. The ultimate objective is to incorporate the results of these studies into consistent and integrated economic projections, under alternative assumptions regarding rates and patterns of economic growth, which will provide guidance on the implications of economic growth for employment opportunities.

"Major technical improvements were incorporated into the data. All series were adjusted to new benchmarks, and a plan providing for estimating procedures which would adequately reflect large, medium, and small establishments. Representation by size, by region, or by a combination of both

was developed in order to improve the reliability of the estimates, particularly those relating to earnings.

"As a part of this major revision, the Bureau expanded the number of series for which employment, hours, and earnings are published on a national level. The number of industries for which employment data are published was increased from 246 to 365. Hours and earnings data are published for nearly all of these industries. The publication of labor turnover data was increased from 121 to 223 industries. Overtime hours data, which were previously published for only 24 manufacturing categories, are now available for 144. The Bureau is currently engaged in expanding its publication program to include data on employment of women for 70 nonmanufacturing industries. Previously, publication of data on employment of women had been limited to the manufacturing industries." (1962)

Automation and new technological developments will have a profound impact on our changing society, it was noted.

"Here, too, the Bureau's program ideas are designed to provide the maximum possible assistance to the public, labor, and management in the area of analysis of the effect of technology upon the Nation's economy.

"The utilization of the labor force remains as a challenging but unsolved problem of continually growing importance. It is the crucial consideration in measuring the success of our economy in attaining a satisfactory rate of growth. The problem points to the need for analysis of the changing structure, size and characteristics of the labor force, both in general and with respect to particular groups; the changing occupational requirements of the economy under the impact of technological progress and automation; and studies of the needs for training in the various occupations to meet future requirements. These features, together with greater emphasis on detailed statistics regarding the labor force, are the basic program considerations in the manpower and employment field.

"As industry becomes more complex, the need for avoiding the human waste and misery caused by industrial injuries becomes more vital than ever before. The Bureau plans to respond to this need through intensification of studies on work injuries and accident causes, and through increased technical services to States participating in cooperative programs to produce studies and statistics; as well as to industry and labor.

"The expanding and changing economy should, as an end result, provide benefits to American workers and their families in the form of an improved standard of living. To shed light on this and related questions, the Bureau has under active consideration a program of studies of actual living conditions of American workers. It also plans to improve and extend its work in the wholesale and retail price areas.

"The accelerated and expanding interests of the United States in international social and economic developments influence policies of labor, management, and Government. This has suggested to the Bureau the need for more intensive work on features of the economic scene in foreign nations,

involving more work in country studies, in international comparisons, and in labor situations in the Sino-Soviet bloc.

"Finally, the Bureau's program, in its many substantive fields, provides an excellent foundation for research directed at the problems associated with economic growth, a subject of continuous concern to the many agencies of Government. The Bureau plans continuing work in the area of economic growth." (1962)

In laying out its plans and conducting its research, the Bureau seeks the advice of advisory committees:

"The Labor Research Advisory Council continued to provide advice on the Bureau's immediate and longrun programs, on the numerous basic technical problems which constantly arise in the Bureau's activities, and on means to insure understanding of the Bureau's statistical series and analytical reports. The Council consists of 12 members nominated by the American Federation of Labor and Congress of Industrial Organizations. All research directors of international unions represented in the AFL-CIO and the Railway Labor Executives' Association are invited to attend the general meetings of the Council. The Council held one meeting during the fiscal year, and all of the committees of the Council met at least once, for a total of 11 committee meetings.

"During fiscal year 1962 the Business Research Advisory Council consisted of 40 members appointed by the Commissioner upon nomination by the National Association of Manufacturers and the U.S. Chamber of Commerce. There are also six ex-officio members (former chairmen of the Council). The Council met with Bureau officials three times during the year. In addition to Council members, 77 other individuals served on committees with substantive interest in the measurement of total construction employment, economic growth, foreign labor conditions, manpower and employment statistics, consumer and wholesale prices, productivity and technological developments, wages and industrial relations, and work injuries." (1962)

The effects of recent technological change are reflected in the Bureau's operations in two striking ways:

"The Bureau undertook during the year a comprehensive and systematic review of its probable future data processing requirements and how these requirements could most efficiently be met in terms of the types of equipment now being offered. A program for the gradual introduction of more powerful and efficient data processing equipment has been adopted. (1961: 202)

"The Bureau projections of industrial employment and occupational trends for the 1960's which are being widely used as a tool by educators and others responsible for planning training programs and facilities, were revised on the basis of more recent data which became available as a direct result of the occupational outlook program. Information on the changing occupational needs of the economy is essential for more realistic training

programs and can contribute to a better alignment between manpower needs and supply. The Bureau is currently preparing a series of studies on the effect of technological developments on the occupational structure in various industries, including railroad transportation, electronics manufacturing, air transportation, and banking." (1962)

Employment Security

"Since its inception in the 1930's, the employment security program has been expanded and strengthened to meet the changing employment needs of workers and employers and to serve claimants for unemployment insurance benefits. From 1948 through April 1961, the Federal-State employment security system had accepted new and enlarged responsibilities without commensurate additions to its staff. In 1960, when the labor force totaled more than 73 million, employment services in the State agencies had 11½ percent fewer staff members than in 1948 when the labor force totaled about 63 million.

"President Kennedy, soon after his inauguration, in his State of the Union Message, in his Economic Message to the Congress, and in instructions to the Bureau of the Budget and the Secretary of Labor, urged that steps be taken to improve the Employment Service. The Congress responded, and appropriations made in fiscal year 1962 provided urgently needed resources which enabled the employment security system to prepare itself to meet the demands of an expanding labor force—a labor force whose needs were becoming more complex as the population increased, as more older workers and more younger workers were added to it, as technological changes reduced labor needs on the one hand and on the other required new and higher skills of workers, and as the Nation changed from a predominantly rural, to an urban, population.

"The Bureau made a thorough study of its functions, organization, and administration. As a first move in its reorganization to meet new and expanded responsibilities, the Bureau reconstituted the United States Employment Service as an organizational unit along with the Unemployment Insurance Service. It also strengthened its two main programs—employment service and unemployment insurance—so that all resources of a program area could be channeled to meet any particular problem." (1962)

Unemployment Insurance

"The Federal-State unemployment insurance system provides insured workers with partial compensation for wages lost during periods of involuntary unemployment. In doing this, it acts as an economic stabilizer, maintaining income and purchasing power and thus serving as an important weapon in the arsenal of economic policy.

"About 46.6 million workers in commerce, industry, and government, including the Armed Forces, are covered under Federal and State laws.¹

¹ In addition, about 900,000 railroad workers are covered under an unemployment insurance program administered by the Railroad Retirement Board.

About 2.3 million employers were subject to Federal and State unemployment insurance laws, contributing in fiscal year 1961 about \$2.360 billion. This amount includes taxes paid by employees as well as employers in Alabama, Alaska, and New Jersey.

"In fiscal year 1961, during which the economy was beset with problems, 8.1 million insured workers drew one or more unemployment insurance benefit checks totaling \$3.7 billion for 111.6 million weeks of unemployment.

"Pools of unemployment have developed in the Nation resulting from automation and other changes in production processes and location of industry. Now, more than any other time since the inception of the program, the economy is faced with the prospect of a steadily increasing number of workers who, in the absence of remedial action, seem destined to spend a large part of their working lives unsuccessfully seeking jobs. Each of the last two recessions began with a volume and rate of unemployment higher than at the outset of the preceding recession. Included among the various remedial proposals are a number involving the unemployment insurance program, such as payment of benefits during the retraining of dislocated workers, coverage of groups not now protected, and improvements in the sufficiency and duration of benefits." (1961: 98-99)

Employment Service

"The U.S. Employment Service was reconstituted within the framework of the Federal-State employment security system Its reorganization reflected a recognition of the national character of many employment and unemployment problems and the concern of the public employment service not only with job placement activities but also with development of manpower resources and with raising the skill levels of the work force through training and retraining. . . .

"In fiscal year 1962, the Employment Service faced complex manpower problems. The high birth rates of the postwar years combined with the low rates of the 1930's resulted in disproportionate increases in the youngest and oldest age groups in the labor force—those that typically experience the greatest jobseeking difficulties. Technological changes and shifts in population and industry had left many communities stranded and many workers with obsolescent skills. Industry was undergoing a scientific and technological revolution which was reflected in its occupational composition and in more rigid hiring specifications, especially with respect to education and skill requirements. Mass unemployment had disappeared but was supplanted by specific unemployment problems encompassing older workers, younger workers, members of minority groups, agricultural workers, unskilled workers, and those long-term unemployed living in geographic pockets of chronic unemployment or underemployment.

"When the present Administration took office, the 1960-61 recession was touching bottom, and the need for remedial action was apparent. High on President Kennedy's list of priorities was the proposal ' . . . to expand the services of the United States Employment Offices . . . to redevelop our areas

of chronic labor surplus . . . and to take other steps aimed at insuring a prompt recovery and paving the way for increased long-range growth.'

"The Congress appropriated additional funds, and the Employment Service moved rapidly to realine its structure to achieve the following program goals:

1. Establishing the primary function of the employment office as providing placement and other job market services.
2. Improving services in large metropolitan labor markets where greatest employment potentials exist.
3. Providing more labor market services to urban and rural areas of persistent unemployment.
4. Identifying changing occupational requirements to anticipate and alleviate the impact of automation and other technological changes on employment.
5. Facilitating the job placement of out-of-school and out-of-work youth and of young people who are entering the labor force in large numbers each year.
6. Introducing new administrative machinery and operating methods to facilitate geographic mobility of workers.
7. Increasing service to workers with special employment problems, including members of minority groups, older workers, and those with few or obsolete skills.
8. Directing more effort to the solution of farm labor market problems and to assisting migratory farm workers." (1962)

"For the future, the greatest percentage of growth is expected in professional and technical occupations. Opportunities for clerical and sales personnel, skilled workers, and proprietors and managers are also expected to increase significantly. An expanding population with higher living standards will probably cause another greater than average rate of increase in service occupations.

"Two approaches to the problem of changing occupational requirements are programs for improved reemployment opportunities for displaced workers and broad manpower development and training legislation. Typical of the former is the Area Redevelopment Act and of the latter, proposed legislation to provide unemployed persons whose skills have become obsolete the opportunity for retraining in skills which are or will be in demand in the labor market. This new legislation would also permit improving and upgrading the skills of many workers who need training or retraining to be fully productive." (1961: 69-70)

The Area Redevelopment Act "is designed to stimulate growth of employment opportunities in areas of substantial and persistent unemployment and underemployment through a program of loans to commercial and industrial enterprises and loans and grants for community facilities and urban renewal. In addition, the act provides for the training and retraining of

unemployed and underemployed residents of these areas, and for the payment of subsistence allowances while in training.

"The Federal-State employment security system, with experience of the U.S. Employment Service and the State Employment Services in dealing with manpower programs at the local level, was assigned responsibilities under the Area Redevelopment Act which include: (1) obtaining facts needed for determining eligibility of areas; (2) providing guidance and review with respect to the manpower aspects of the overall economic plans of those areas; (3) determining area and individual training needs; (4) selecting and referring individuals to training; (5) providing for payment of subsistence allowances to eligible trainees; (6) job development; and (7) placement." (1962)

The Manpower Development and Training Act provides "occupational training for unemployed and underemployed persons who cannot reasonably be expected to obtain appropriate full-time employment without training. Manpower responsibilities for implementing this act in the States and localities are carried out through the public employment service. No training under this act was conducted during fiscal year 1962 but is expected to begin early in fiscal year 1963." (1962)

During 1962 a major publication, "Impact of Automation and Technological Change on Employment and Unemployment," was prepared to summarize material available on the effects of automation and other technological change in the United States. "Projects were then undertaken (1) to gather information on procedures used by employers in the United States at the establishment level to effectuate work force adjustments to automation and other technological changes, and (2) to provide information on programs in other countries that have eased the impact of technological change on the work force." (1962)

Farm Labor

Shortly after assuming office, Secretary Goldberg commented on another recurring problem that has received increasing attention during recent years:

"'For the first time in history,' he said, 'every agency of the national administration is working . . . to improve the labor conditions in agriculture. For the first time there is a united Federal effort to move ahead in this neglected field, and to improve a labor system that has been based for a quarter of a century upon underemployment, unemployment, and poverty both at home and abroad. . . . Public understanding is essential if any light is to cast into the shadowy migrant world where poverty, privation, lack of opportunity, and illiteracy are the stuff of everyday life.'" (1961: 87)

"Emphasis [therefore] was placed on insuring preference in employment for domestic farmworkers, eliminating adverse effect from use of foreign labor on wages and working conditions of domestic farmworkers, and reducing need for supplemental foreign-worker employment. To carry out

these objectives, efforts were made to improve the selection of workers, utilizing local labor to the greatest extent possible; to expand the annual worker plan and clearance activities as a means of obtaining out-of-area workers at peak seasons; to improve farm working conditions (housing, wages, transportation); and to keep abreast of changing technology and its effects on the farm labor market." (1962)

Some idea of the size of the domestic farm labor program, as conducted through a combined Federal-State operation, was presented in the 1961 report:

"Traditionally, in the spring, farm laborers in three major migratory movements work their way northward from southern fruit, vegetable, cotton, and citrus crops, fanning out east and west. In the fall these workers return over the same general routes, working late vegetables, fruits, nuts, and cotton. The annual migration involves several hundred thousand people who travel in buses, trucks, and individual cars, in families or in work crews. In 1960, a total of 162,563 individuals, 132,310 over 16 years of age, were scheduled through the annual worker plan in 7,346 groups from 30 States. The scope of this program is constantly being expanded by the participation of additional States." (1921: 89-90)

Wages and Hours

The year 1961 "marked a milestone in the history of the Fair Labor Standards Act. The Fair Labor Standards Amendments of 1961, effective September 3, 1961, increased the minimum wage for substantially all of the 24 million workers already covered by the act, and extended the benefits of the law to 3.6 million additional workers. As a consequence of these and other far-reaching changes made by the amendments, this was a year of transition as well as achievement for the Wage and Hour and Public Contracts Divisions in the administration of the act. A significant portion of the Divisions' resources was directed to developing policies for the successful administration of the 1961 amendments and to planning and executing programs for the vigorous enforcement of the amended act.

"The Divisions' activities resulted in record back-wage disclosures and back-wage payments under the Fair Labor Standards Act and the Walsh-Healey Public Contracts Act. The amount of back wages revealed due under the minimum wage and overtime provisions of either or both laws, and the amount of back wages employers agreed to pay workers, increased for the sixth consecutive year. More than \$34 million was due some 213,000 employees, and employers agreed to pay almost \$16.2 million to about 137,000 employees.

"Most of the back wages owed and paid were due under the Fair Labor Standards Act. Prior to September 3, the act's minimum wage had been \$1 an hour, applicable to employees individually engaged in interstate commerce or in the production of goods for interstate commerce, unless specifically exempt. The 1961 amendments increased the minimum wage for such employment to at least \$1.15 an hour, this rate being effective

until September 3, 1963, when a minimum wage of \$1.25 an hour will take its place.

"For employment newly subject to the pay provisions of the act, the 1961 amendments set a minimum rate of at least \$1 an hour, effective until September 3, 1964, when a minimum of \$1.15 will apply, to be increased one year later to \$1.25. The amendments extended the act to all employees of certain large enterprises engaged in interstate commerce or in the production of goods for interstate commerce, and removed or narrowed some previous exemptions. . . .

"The maximum hours provisions, requiring compensation of not less than 1½ times the employee's regular rate of pay for all hours worked over 40 in any workweek, remain applicable to work covered before the amendments. This standard will be attained, by steps, for newly covered employment. Beginning September 3, 1963, employees engaged in such work must be paid not less than time and one-half for all hours worked over 44 in a workweek, and beginning September 3, 1964, for hours over 42 a week. As of September 3, 1965, a minimum wage of at least \$1.25 an hour and overtime compensation at a rate of not less than 1½ times the employee's regular rate of pay for all hours worked over 40 in a workweek will be in effect for all employees within the coverage of the amended act, unless an exemption applies.

"It was estimated that in the first year of its application, the increased minimum wage would add \$336 million to the annual income of 1.9 million of the 24 million workers covered by the act prior to the amendments, and \$200 million to the annual income of 663,000 workers among the 3.6 million newly subject to the pay provisions of the act." (1962)

Commenting on this legislative accomplishment, the Administrator of the Fair Labor Standards Act stated in his annual report:

"The 1961 amendments mark the first major expansion in the act's coverage since the law was enacted in 1938. In general, the act has applied to employees engaged in interstate commerce or in the production of goods for interstate commerce, unless specifically exempt. Retaining this coverage, the amended act will also apply to other employees of certain large enterprises engaged in interstate commerce or in the production of goods for interstate commerce. Most of these newly covered employees—about 2.2 million of them—work in retail or service trades. Some additional workers will be brought under the law because the amendments narrow or eliminate a few exemptions. The amendments also give the Federal district courts additional jurisdiction to restrain violations of the act, including the withholding of payment of minimum wages or overtime compensation found by the court to be due the employees." (1961: 230)

In the administration of the Public Contracts Act, the most significant development during Secretary Goldberg's term of office was "the issuance, for the first time in the history of the act since its enactment in 1936, of a

minimum wage determination for every employee engaged in the performance of a covered contract to whom no higher rate is applicable. The minimum wage rate contained in this determination is \$1.15 an hour for such employees." (1962)

It should be noted that, under this act:

"Employers owing money to employees as a result of violations of the [act] are liable to the Federal Government for the amounts of the underpayments. Such amounts may be withheld from money owed the employer by the Government, or the Government may sue for the recovery of illegally withheld wages in the courts. Back wages thus collected under the provisions of the Public Contracts Act are distributed directly to the employees involved." (1962)

Women

Significant recognition of womanpower as a national asset occurred in the spring of 1961 when the President sent to the Congress a bill to provide a new Assistant Secretary of Labor—to help the Department of Labor "meet its increasing responsibilities in connection with the growing role of women" in the Nation's work force. That responsibilities in this area will increase is implicit in the Labor Department's estimate that the number of women in the labor force will rise by 25 percent in the decade of the 1960's, compared with a 15 percent rise for men. (1961: 287-8)

As the report on the Women's Bureau pointed out in 1961:

"... most working women are engaged in teaching, nursing, clerical, and service occupations offering little or no competition to men, and [moreover] more workers are needed in these occupational fields. Figures on working wives show that more of them work when the husband's income is under \$5,000 than when it is higher. For calendar year 1960, the average annual income of all women who worked full time was \$3,296, as compared with \$5,435 for men. Negro women received even smaller incomes, their \$2,289 average showing their disadvantaged position in the work force. These figures reflect primarily the concentration of working women in lower paid occupations, but also differences in overtime, seniority, and inequitable pay practices, among other factors.

"To answer queries about working mothers and to provide a factual base for discussion at the November 1960 Day Care Conference, the Bureau issued a leaflet entitled "Who Are the Working Mothers?" This reported that there are over 8 million working mothers with children under 18 years of age—about one-third of all the mothers with children in this age group. However, only 1 out of 6 mothers with children under 3 years of age works, compared with 2 out of 5 mothers with children 6 to 17 years of age. Most mothers with very young children prefer to stay at home rather than go out to work; nonetheless, there are about 3 million working mothers with children under 6. Demand for this information prompted a second printing of the leaflet, near the end of the fiscal year." (1961: 289)

A further study dealt with the question of why mothers work:

"Persistent unemployment in a period of rising economic activity, concern over juvenile delinquency, and the need for proper care of children raised questions regarding the employment of women, especially married women who are mothers. The Women's Bureau therefore undertook, through a public statement entitled "Why Do Mothers Work?", to interpret their reasons for working and the effect of a mother's employment upon her home and family life. This statement was based upon the findings of pertinent studies and supplemented the information previously published by the Bureau in "Who Are the Working Mothers?" and in "Are Women Taking Men's Jobs?" A review of trends shows that the percentage of mothers who were in the work force rose somewhat more rapidly during World War II, and again during the Korean conflict, when workers were needed in different war production activities and vacancies existed in many occupations. Aside from these periods, the proportion of mothers who work outside their homes has grown quite steadily but slowly. It has grown even more slowly among mothers with young children.

"Nonetheless, the number of working mothers reached 8.7 million by 1961. Of these, over 3 million had children under 6 years of age. And the numbers are still growing.

"A fact which stands out in all studies which show factors influencing mothers to work is that mothers keep the needs of their families in mind in making their decisions. Through their paid work, they strive to improve opportunities for their children by helping provide better education, recreation, and medical care, and to improve their family life by helping provide better homes, food, clothing, or family vacations. While data are still scarce and further study is needed, no study to date establishes the mother's employment alone as harmful to the children, to the family, or to the home. Where behavioral problems exist the situation is complicated by other conditions. However, the fact that more and more mothers are joining the Nation's work force means that more attention must be given to seeing that adequate day care is available to their children, that counseling aid is available when needed in making their decisions, and that adequate training in home management is available to help them carry their dual roles more easily and more effectively.

"The question of how women workers are being affected by accelerated technological changes taking place in many offices, plants, and stores received special attention during the year." (1962)

Significant improvement in the work of the Women's Bureau resulted from the establishment of a small field force:

"The establishing of these regional offices has made it possible to extend the services of the Bureau. There has been increased activity with women's organizations, State departments of labor, employer groups, labor unions, and other governmental and public agencies. There are indications in those areas where field offices are located of a wider understanding of the impor-

tance of the woman worker in the economy of the community and of her needs and problems. Interest in good labor legislation and labor standards has been stimulated, and help has been given in coordinating the efforts of local, State, and regional groups in these areas."

The major field activity, in which both the Washington staff and the field directors participated centered around conferences on the problems of working women.

"General objectives of these conferences were (1) to review and assess the present status of women workers as reflected in legislation and practices relating to minimum wages, equal pay, hours, and working conditions; (2) to analyze woman's dual role as homemaker and wage earner, with particular emphasis on the needs of children of working mothers; (3) to develop guidelines for the role that organizations at the State and local level can play in meeting the needs of women workers through legislative improvements, support of local work and training projects, and improved information to the general public." (1962)

As Assistant Secretary of Labor Esther Peterson pointed out in her 1962 report on women's affairs:

"The increasing participation of women in the labor force and in the national economy during the decade of the 1960's is giving rise to a wide range of problems that present a challenge to the Women's Bureau, charged as it is by the Congress with the responsibility "to formulate standards and policies which shall promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment."

"During the past year, the paradox of continuing unemployment while jobs vital to our technical and scientific advancement go begging, pointed up the urgent need for better education, training, and utilization of the country's human resources, including its womanpower. A period of fluctuating employment opportunities and economic uncertainty highlighted the fact that wage differentials based on sex constituted a threat to the general wage level and added urgency to the long recognized need for equal pay for comparable work. As more mothers of small children found it necessary to work outside the home, day-care services for their children, part-time work, or adjustment of work schedules became pressing needs. The adverse effects upon the economy of a sizable corps of unskilled workers, receiving less than subsistence wages, demanded extension of minimum wage law coverage; and remaining areas, in which poor working conditions and long hours of work prevailed, emphasized the need for further work in improving labor standards.

"On the premise that many of these problems were community problems and in response to numerous requests for on-the-spot assistance, the Bureau expanded its field service, taking its program to civic and service groups, labor, management, women's organizations, and Government agencies at State and regional levels. A new approach was made through a series of

regional conferences which explored the problems of working women, their employment problems, and their training needs.

"Another avenue for determining the needs and resources of women has been the President's Commission on the Status of Women The Women's Bureau has supplemented and cooperated in the Commission's program, which is largely investigative.

"An area of particular concern to the Women's Bureau has been that of the low-wage, disadvantaged groups, such as household workers, migrants, and laundry workers, who are not protected by State or Federal legislation. Preliminary study of the employment conditions and training needs of this group was begun. The Bureau sees a need, in the year ahead, to explore these problems further and formulate means of upgrading the low-wage groups.

"The President's Commission on the Status of Women was established by Executive order on December 14, 1961. It is responsible for studying and making recommendations on eliminating discrimination against women in Government and private employment and on providing services which will enable women to continue their role as homemakers and mothers and at the same time make a maximum contribution to national life.

"The President asked that the Commission seek ways to make the Federal service a model of equal employment opportunity. By the end of the fiscal year, several noteworthy achievements had resulted from Commission recommendations. The Attorney General, by reversing an early interpretation of a law which permitted a Federal hiring officer to appoint only women or only men, removed the last legal barrier to equal opportunity for women in the Federal service. This action was followed by a directive from the President that appointment or promotion in the Federal career service shall be made without regard to sex.

"The Department of Defense has taken under consideration the Commission's recommendation that the separate statutory restrictions on the number of colonels, captains, lieutenant colonels, and commanders in the women's components of the Armed Forces be removed. An inequity regarding service of women in the SPARS was corrected by a bill signed by the President." (1962)

The extension of coverage and improvement in the minimum wage level through periodic revision of industry wage orders under State minimum wage laws have always been of major concern to the Bureau—because of the large numbers of women in occupations not covered by the Federal Fair Labor Standards Act. This subject continues to retain importance, since the FLSA amendments of 1961, which extended coverage in some areas, did not extend coverage to a number of low-wage industries employing large numbers of women, especially nonwhite women. The women not covered by the FLSA—who are employed in retailing, hotels, restaurants, laundries, and other service establishments—have a vital interest in State minimum wage laws. (1961: 293)

An interesting remark in the report of the Women's Bureau for 1961 reflects the changes in the status of working women during the past half century:

"Requests for Bureau services reflected increased public interest in hours of work and working conditions of women. On the one hand, the preponderance in the labor force of married women and women in the extreme upper and lower age brackets has directed increased attention to the need for insuring the adequacy of basic standards and protective legislation which will meet the particular needs of these groups. On the other hand, the growing employment of women workers and the increasing recognition of women's important contribution to the national economy have given rise to demands for greater flexibility in laws governing their hours and conditions of employment, consistent with maintaining the health and welfare of individual women workers.

"Both aspects were reflected in the many bills dealing with special labor laws for women introduced in the various State legislatures. Digests of State legislation on women's hours and working conditions which was enacted in 1961 were prepared by the staff of the Women's Bureau and distributed, on request, to governmental and voluntary groups.

"A bill introduced in one State would have relaxed its maximum hour provisions without establishing any substitute standards. In this case, the Bureau was requested to furnish technical information on relaxation provisions in laws of other States to the State labor department, which supported the bill, and to women's organizations and unions, which opposed it. Although the bill in question was defeated, the facts brought out in connection with legislative hearings on this and other similar measures indicate widespread need of review of hours legislation in the light of the Government's accelerated defense program. To meet these needs, the Bureau has begun a study of existing hours standards for women from two aspects: (1) the adequacy of such standards for safeguarding women's health, and (2) the need for flexibility to permit adjustment of standards in an emergency." (1961: 295)

Labor Standards

In this challenging age of science and technology, new and difficult problems confront State as well as Federal agencies responsible for administering labor laws and programs for the improvement of working conditions. The States, particularly, are the first to experience the sharp impact of the modern advances in technology including automation, the increase in mobility of the labor force, decentralization of industry, the shift in many States from an agricultural to an industrial emphasis, and the growth of an increasing number of areas of frictional and structural unemployment.

For these reasons the work of the Bureau of Labor Standards, which has the special duty of maintaining departmental relations with State labor departments, takes on added significance.

In 1961:

"Advice and technical assistance were given . . . to practically all States as well as to Members of Congress, Federal agencies, management, labor organizations, civic groups, international bodies, colleges, libraries, and other interested groups and individuals in many fields, including workmen's compensation, migratory labor, wages and hours, wage payment and wage collection, child labor and school attendance, industrial relations, discrimination in employment, occupational health and safety, and regulation of private employment agencies." (1961: 163)

And in 1962:

"Current economic and social needs caused the Bureau to stress several aspects of its work. Services in the field of youth employment, for example, were expanded and a community project launched to combat the school dropout problem and to assist youth in making a successful transition from school to work. The scope of the Bureau's job safety training programs, originally designed for State factory inspection personnel, was enlarged so that others, particularly labor union representatives and maritime personnel, might profit from such training. The Bureau's accident prevention staff in the port areas was expanded to permit it to discharge its functions under recent legislation involving the safety of maritime workers. The eighth President's Conference on Occupational Safety was organized by the Bureau and held in 1962." (1962)

A special report was prepared at the request of the Executive Committee of the International Association of Governmental Labor Officials, showing the appropriations, organization, and functions of State and Provincial labor agencies. Prior reports on this subject were made in 1950 and 1955. The updated information presented in this comprehensive report should serve as a factual basis for measuring the progress made over the past 6 years in strengthening the State and Provincial labor departments. (1962)

Under the authority invested in the Secretary of Labor by Public Law 85-742 amending the Longshoremen's and Harbor Workers' Compensation Act, the maritime safety program of the Bureau was carried forward in 100 or more ports throughout the United States. To improve service to outlying ports and reduce travel expenses in certain portions of the country, 5 new offices, in addition to the original 17, were established in Providence, R.I., Ft. Lauderdale, Fla., Detroit, Mich., St. Louis, Mo., and Honolulu, Hawaii.

As stated in the 1962 departmental report:

"All phases of the Bureau's maritime safety activities in the field show marked increases over the previous year except in the number of violations cited. Violations were reduced, indicating better compliance as knowledge and acceptance of the regulations became more widespread. The field staff was also able to devote some time to companies (railroads, dredging and marine construction contractors) whose activities are included under other harbor work." (1962)

Since the problem of youth employability is steadily increasing, the Bureau made every effort during the year to stress the need for organized community action. This effort was directed fundamentally toward helping youth who lack the basic preparation needed for success in today's and tomorrow's labor market. Action programs and supporting promotional materials have been developed and offered local community committees, governmental agencies, and private organizations. The Bureau gathered, analyzed, and adapted data on successful youth programs now operating in certain communities and collected material pertinent to the problems of youth employability and employment opportunities. It passed this information on to local communities, State governments, national agencies, and other organizations. (1962)

A new approach to improve the working and living conditions of migratory workers and their families was initiated . . . by the Bureau in cooperation with the Bureau of Employment Security. A staff consultant explored the feasibility of pilot community programs for migrants in North Carolina. Following initial contacts, two pilot projects, endorsed by the North Carolina State Committee on Migrant Labor, were started in Elizabeth City and Hendersonville during the harvest season. These community programs represent a concerted effort by all of the public and private agencies, voluntary organizations, and individuals that are concerned with the improvement of the migrant worker situation in working and living conditions, particularly with respect to education, recreation, community acceptance, and child care. Each program functions through a citizens' committee whose members represent the various participating agencies and organizations, and all activities are coordinated by an executive secretary. A State services staff consultant maintains close liaison with the projects through correspondence, weekly and monthly reports, and personal visits. It is anticipated that the reports and evaluations of these two projects will serve as useful guides to other communities in their efforts to cope with the problems of migrants. (1962)

Welfare and Pension Plans

President Kennedy's approval on March 20, 1962, of amendments to the Welfare and Pension Plans Disclosure Act marked a major advance in the Department's program designed to insure adequate and accurate disclosure of the operations and finances of employee welfare and pension benefit plans.

The original law, in effect since January 1, 1959, resulted from disclosure of abuses which, if continued unabated, constituted a threat to the welfare and future security of millions of workers and their families.

"The basic objective of the 1959 law," according to the 1962 annual report of the Department, "was to make available information on the terms, conditions, and financial operations of these plans. To this end, the Congress provided that plan administrators furnish copies of descriptions of plans and adequate summaries of annual reports to plan participants and bene-

ficiaries on written request; that copies of descriptions and annual reports be made available in the plan administrator's office for examination by participants and beneficiaries; and that copies of descriptions and annual reports be filed with the Secretary of Labor, who in turn was required to make them available for examination in the Department's public document room.

"The 1958 law was primarily self-administering; the Secretary had no investigatory or rulemaking power or authority to issue binding interpretations. The burden of policing the publication and disclosure requirements was left, essentially, to participants and their dependents.

"Weaknesses in the 1958 law were apparent from the start and steps were taken almost immediately to strengthen the legislation to provide the administrative flexibility and additional legal remedies needed to enable the Department to carry out fully the basic purposes of the law.

"Following adoption of the 1962 amendments, overall responsibility for directing the Department's functions under that legislation was assigned to the Assistant Secretary for Labor-Management Relations, and there was created a new Office of Welfare and Pension Plans. The Division of Welfare and Pension Reports, which had administered the 1958 law as part of the Bureau of Labor Standards, became the nucleus of the new organization.

"To carry out the new and enlarged responsibilities and implement the statute as directed by the Congress, several regulations were promulgated. These continued the use of the existing reporting forms, either without change or with only minor modification or supplementation, until such time as revised forms were prescribed; set forth the information required to be furnished to plan administrators by insurance carriers and service organizations; and establish procedures under which variations from certain general reporting requirements could be requested.

"Since it was decided that the Office of Welfare and Pension Plans should not at this time develop its own field staff, arrangements were made whereby investigations under the law would be conducted by the Department's Bureau of Labor-Management Reports as requested by the Office.

"Similarly, the cooperation of the Wage and Hour and Public Contracts Divisions was obtained so that that organization's field offices would be utilized in the distribution of forms, releases, pamphlets, and similar materials on the amended law.

"Of major significance was the appointment of an advisory council composed of 13 representatives of the public, industry, insurance carriers, trust companies, service organizations, and labor. The council was authorized by the 1962 amendments to 'advise the Secretary with respect to the carrying out of his functions under this act, and submit to the Secretary recommendations with respect thereto.' " (1962)

Labor-Management Reports

As the Commissioner of Labor-Management Reports commented at the end of his first year of operation, the experience of the Bureau "affirmed the fact that most people in the labor-management field desire to comply"

with the Labor-Management Reporting and Disclosure Act. "The vast majority of those affected by the law," he wrote, "displayed a cooperative attitude. This is evidenced by the fact that 98 percent of the violations of the act uncovered . . . were settled through voluntary compliance." (1961: 153)

Success, however, was contingent on hard work:

"The Bureau's extensive technical assistance program was established to help people understand rights and responsibilities under the new and complicated law. These aids include personal consultation, technical aids, instructional materials, and seminars and workshops.

"Much of the Bureau's technical assistance activity during the year was directed at helping union officers—many of whom hold full-time jobs in addition to their union posts—fill out the second round of annual financial reports. Examination of the first round of financial reports in 1960 indicated that a great percentage required additional correspondence with the unions to obtain all the information required by law.

"An extensive 'workshop' program was designed to correct this problem—and to save considerable time and money for both unions and the Government. This was a new technical assistance method which sprang up in every BLMR area following an experimental program in Georgia last fall. Nearly 300 workshops were conducted in 220 cities throughout the United States. The workshops were attended by almost 9,000 persons representing approximately 4,500 unions. They were held chiefly under the auspices of central labor unions. A step-by-step explanation of each entry required on the form, with 'do's' and 'don'ts,' was the usual method of presentation."

"BLMR also participated in numerous clinics for financial officers. These were sponsored by international unions for a large number of locals in an area.

"The need for technical assistance had been demonstrated earlier, when BLMR representatives visited several hundred unions that failed to respond to two letters sent by the Bureau to obtain correction of significant defects in the organization reports submitted. It was found then that most of these unions had no office and two-thirds of the officers had to be contacted at their homes; 85 percent had no secretarial help at all in filling out the forms; and only 5 percent had legal or accounting help. Most of these union officers disclaimed any knowledge of the letters which the Bureau had sent, possibly as a result of the high turnover in their posts. The majority of these locals were very small, apparently having fewer than 100 members. It was apparent that a large number of the local officers did not understand all the reporting requirements; 90 percent said they were unaware that assistance with the reporting requirements was available at the area office; and only about 1 out of 5 even knew where the nearest BLMR office could be found.

"Another technical assistance technique developed by the Bureau during the year was the 'office hours' program. Letters were sent notifying local unions of the hours when a BLMR representative would be available in the union's city to answer questions and give advice. This approach was very successful in areas located a considerable distance away from BLMR offices.

"A 'visit program' also was initiated. Under this plan, BLMR representatives visit the national headquarters of unions to offer technical assistance services to the union's subordinate bodies. If an international union authorizes Bureau representatives to call on local unions and provide them with help, a BLMR area office informs the local unions of the availability of the assistance. The area offices try to get a district council of locals of the international, or sometimes a central body composed of locals of different internationals, to sponsor a workshop or clinic. If a union wishes, a BLMR representative personally visits the office of the union to advise the local officers.

"To reduce the workload and expense to both the Government and unions by assisting the unions to complete their reports correctly, BLMR also designed and mailed 49,000 union financial reporting 'kits.' These contained reporting forms and an instruction book on how they should be filled out, a 'Reminders Check List' pointing out the most common errors found in the first round of reports, and forms on which a union must report certain changes in the information provided in the one-time organizational report submitted during the first 90 days after the act became effective. The kits also provide one folder where all records relating to LMRDA can be kept." (1961: 154-5)

By the end of fiscal 1962, about one quarter of a million reports had been filed with the Bureau—most of them by the 52,237 labor organizations subject to the act, but some also by labor relations consultants, employers, and other covered individuals. (1962)

The work of the Bureau received comment, particularly from the AFL-CIO, which spoke favorably about its simplified reporting forms and its campaign of technical assistance in making the reports. State and central bodies of the AFL-CIO also gave full cooperation. (1962)

International Labor Affairs

"Foreign labor is a vitally important factor in the political and economic foreign policies of the United States. Throughout the world, Communist elements are seeking to control unions and worker organizations. Improving the living and labor standards of the masses of workers in the less-developed countries of the world is an overriding goal of all of the economic and technical assistance programs of the United States." (1962)

"To an increasing extent, the basic foreign affairs problems are worker oriented. Throughout the world, unions and worker organizations are an increasingly important battleground of the East-West conflict. Raising the living and labor standards of the masses of workers in the less-

developed countries of the world has become an overriding goal of all of the economic and technical assistance programs of the United States. Domestic unemployment and other U.S. economic problems have caused increased concern regarding the relative position of the United States in international trade and have pointed up the need for more effective policy and action regarding labor standards in foreign countries which compete with the United States for world trade.

"Consequently . . . there has been an acceleration and intensification of the work the Department of Labor does in the international field." (1961: 145)

As an effective attack on these difficult problems, the Department has developed (1) an overseas staff which provides expert factual and analytical reporting concerning the political, economic, and organizational aspirations and problems of foreign labor; (2) research, by a competent Washington staff, on world-wide labor developments which affect U.S. foreign policies and operations and a publications program to acquaint interested governmental and nongovernmental officials with these developments; (3) formulation of effective foreign policies, responsive to the particular labor situations in countries and regions; and (4) effective utilization of a variety of specific governmental action programs. (1962)

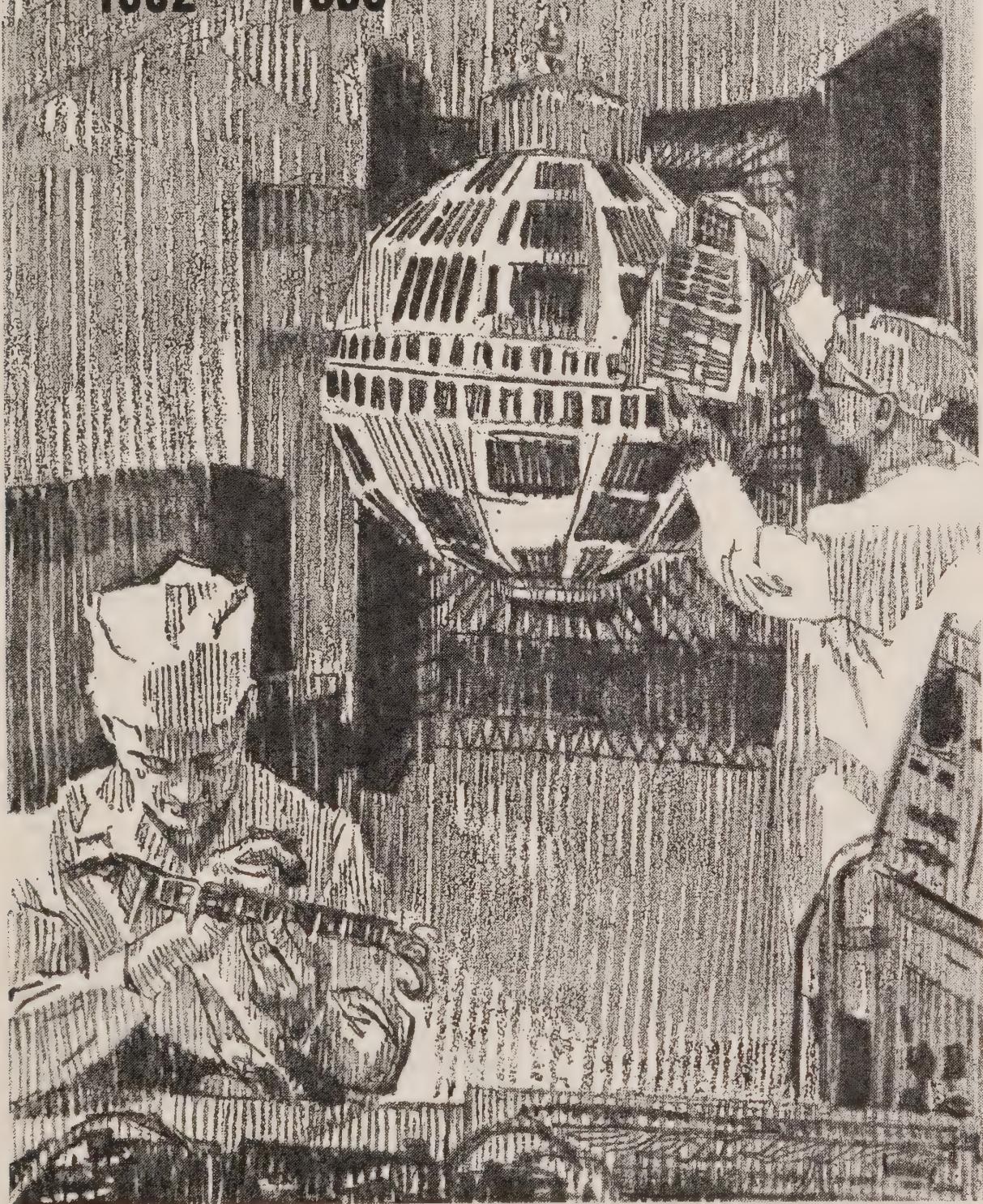
Employees' Compensation

As a direct result of legislature changes made in the Federal Employees' Compensation Act as amended by P.L. 87-767, benefits were greatly extended. But, to bring home to Federal establishments and agencies the need for greater attention to financial cost of accident injuries, and illnesses, these agencies are now, for the first time in history, required to reimburse the Federal Employees' Compensation Fund for some of these expenditures. (1961: 49)

In addition to its Federal employees' compensation program, the Department administers a compensation program which provides benefits for the following groups of employees: (1) persons (other than seamen) in the employ of private employers engaged in certain maritime employment on the navigable waters of the United States, (2) private employees in the District of Columbia, (3) employees employed at military bases outside the United States, (4) employees of contractors with the United States engaged in public work outside the United States, including contracts approved by the Agency for International Development under the Mutual Security Act, (5) employees engaged in services for an American employer providing welfare services for the Armed Forces outside the United States, (6) employment on the Outer Continental Shelf in connection with the exploration and developing of natural resources, (7) civilian employees of nonappropriated fund activities (post exchanges, motion picture services, etc.). (1962)

CHALLENGE OF THE FUTURE

1962 — 1963



CHALLENGE OF THE FUTURE

1962-63

On September 25, 1962, W. Willard Wirtz was sworn in as the 10th Secretary of Labor of the United States. Some 3 months later, the Department of Labor began the anniversary observance of its 50th year. It was an apt time for a consideration of the changing character of the Department and for a confrontation of the problems emerging in an economy undergoing rapid technological change.

Surprisingly enough, as the reports in this volume have indicated, the problems were not different in kind from those that had occupied every other Secretary. Secretary Davis in the 1920's had cast worried glances at man's evolving technology and its effect upon jobs. Some 40 years later, Secretary Wirtz found the American economy laboring under the same change, with an increasing toll of employment opportunity loss for the unskilled and inexperienced and untrained.

During the first months of his tenure, and as the 50th anniversary year began, the Secretary identified the correlation of almost every activity of his Department with the overriding challenge of change—industrial, occupational, scientific, and geographic—that was remaking modern America faster than the lives of generations and causing each man to consider his working lifetime a many-staged progression through a variety of skills and jobs.

The special programs and policies to turn change to man's benefit were being established—to end discrimination, to improve educational and employment opportunity, to better the status of women, to convince young people to stay in school, to upgrade the Employment Service with its job-matching capability, and so down the long list of detailed responses to specific aspects of change.

As the first half-century of service came to an end, the words of Secretary Wirtz were both a summation and a mandate for the future.

Dealing With Change

"I am sure it is an oversimplification, and yet I am equally sure that the presiding fact in our time and in any other times is the fact of change, and that the common denominator of all of our difficulties is dealing with change honestly and wisely and constructively."

"I am not talking about a matter of adjusting to change, because that begs the question, and begs it, in my judgment, the wrong way. It is not a matter of how to be on the defensive against change. It is a matter of how to take the offensive with change and to make it the instrument for a man's

deliverance, instead of permitting it to become the instrument of his destruction. . . .

"Now, a job used to be—and this was true not very long ago—a job used to be something that a man expected to have all of his life. And our trouble today is that that is what he still expects. But it is no longer true.

"It was not very long ago that a man on a job, particularly on a craftsman job, thought in terms of passing it on to his son. He had inherited it from his father, and he expected to pass it on to his son. It was like the family name, which came from the craft which was being performed—Smith, Mason, Chandler, whatever it may have been.

"That was the period when a boy in the country grew up and went to school past fields which he would probably work for the rest of his life. It was a period in which most sons grew up around a mine or a mill or a plant, which was the economic center of every family's thinking.

"And collective bargaining, when it emerged, as it did in most places, about 25 years ago, was also built up around the idea of protecting a man's particular job and his rights to a progression to another job.

"I suggest to you that today this is no longer true; that in this era of accelerated change, an age of technology triumphant, of exploding population, where maps change as fast as women's fashions and where continents are now closer together in time than county seats seem to be, in this age a man's job is also the uncertain product of unpredictable but almost certain change.

"A job is no longer something which most people can reasonably expect to have or to perform the rest of their lives. There is going to be a change."

Jobs

"I think there is one answer that underlies [our] problems.

"And that right answer is simply that this economy has got to be put on a basis which will supply work opportunities for all of those who want to work and who have something to offer.

"I make clear only the point that these other things which we react so strongly to are by and large posings of the issue, and we ought to get down to the one answer which would bring a complete solution to these problems. We would not be staying up nights in the Labor Department working out particular disputes if there were a full employment economy in this country. Featherbedding would still be an irritation and an aggravation, but it would not be the terrible problem that it is today.

"The 35-hour work week problem would disappear if there were full employment opportunities. The problem of compulsory arbitration would be pushed again into the background, because there would be other ways of solving those problems. The unemployment insurance problem would not be the serious problem that it is.

"I make, then, only the general suggestion that the principal problem we have in this situation in this area of public affairs is the problem of change,

that it requires our constructive, honest, straightforward, wise answer to the problems which it presents, and that we should advance as quickly as we can to the heart of this problem.

"It is not hard to guide the affairs of a going concern along a course of previous conduct or to represent other people, if you will, in their contented enjoyment of things as they are or have been all along. The demands today upon the leaders of American labor and industry and upon those of us in public government is a hard, challenging, tough demand that change be met squarely on its own terms and that it be made man's servant, so that it will not become his master.

"If this is a grim prospect for the lazy, the scared, the satisfied, it is an exciting prospect for those who believe that growth is the distinguishing characteristic of life and that the future is a good idea. I do."

Problems To Be Met

"What is happening today in America's factories—giving rise to heightened concern about unemployment as a national economic crisis—is what has been happening for some time now on America's farms. Scientific discovery and invention are multiplying man's individual productive power so rapidly that his own place in the scheme of things is being cast in new doubt. And though we know that the question is only one of readjustment, the difficulties it presents are acutely painful in terms of human costs and waste. . . .

"The scientific revolution may be in maturity on our farms, but its final assault on the agricultural work force is a matter of present moment. If the greatest gain we can anticipate from an acknowledgment of these facts is a determination to seek a wiser path in the development of our industrial life, that is of unquestioned benefit. But of even greater benefit would be public acceptance of the unity of our manpower and economic problems. In its most important consequence, the attrition of farm employment has laid the burden on our economy to create jobs to replace those lost on the land, as they are being lost in the mines and the factories and on the railroads. We are challenged at the least to devise the ways and means by which the dispossessed can translate their aspirations and transfer their abilities to a new environment of meaningful work and useful lives."

Pledge of Opportunity

"Let us be clear in our recognition that the American economy is a success beyond parallel in history; that it has produced a standard of living for most of us which is the envy, and now the goal, of all the world's people; that we define poverty now in this country by income levels rather than starvation and death in the streets; that most of the unemployed in America can satisfy more of life's needs than the majority of those who work from dawn to dark in much of the world.

"But these comparisons, too, are incomplete. The measure of what we are is what we could be, and what we propose to be. Every individual per-

son in this country who wants a job and is denied it represents a proper and unsatisfied claim against democracy's pledge of equal opportunity for all. . . .

"First, it is clear that the situation is sufficiently serious to warrant closest attention and most vigorous action. Part of the difficulty is that the unemployment which exists is scattered, and is concentrated in pockets of economic distress. People in general are doing so well economically that there is not the sense of indignation and outrage there ought to be about unemployment which most Americans don't see—even though it is sapping our strength as a whole.

"Second, it is important that we recognize this unemployment as essentially a problem not of economic weakness, but of economic growing pains. It results in large part from the fact of growth in our population and from the phenomenal increase in technological competence. We must lead, in meeting this challenge, not from weakness but from strength.

"Third, it is clear now that this situation is not self-correcting. The preconceived notions that improving technology automatically creates as many jobs as it destroys, so that there is no problem of employment here, leave out some key facts.

"Those preconceptions were true to the extent that they suggested that each new technological development increases the national economic potential, including its potential for full employment. What they left out is the fact, clear now from experience, that the effect of such technological development is uneven throughout the economy, in terms of geographical areas, different skill levels, and so forth. It creates adjustment problems which have to be met.

"Fourth, and as a crucially significant corollary of the preceding point: There is not one unemployment problem in this country today, but rather several very different unemployment problems—and particularly two specific problems. One of these is the increasingly acute problem of unemployed younger workers. The other is the increasingly acute problem of unemployed members of minority racial groups.

"One difficulty here is that these two problems are directly traceable to a factor in this situation which has not been the subject of enough plain talk. 'Technological development' is an attractive, fascinating idea. It is also essential to the growth of the economy. 'Technological development' is also the reason that the unemployment rate in the United States as a whole is approximately twice as high for younger workers than for the work force as a whole, and twice as high for minority group members as for the entire group.

"The connection is clear. Rapidly advancing technology is increasing the demand for skilled and semiskilled workers, and is reducing the demand for unskilled workers. It is among the younger workers, especially those who have dropped out of school prematurely, and among the members of minority groups, that there is the highest percentage of unskilled workers.

"It could very properly be said that what we call the problem of unemployment is in large measure a reflection of the more basic problems of inadequate education and racial disadvantage.

"This is not an argument against automation. It is an argument for a degree of social engineering which will keep up with our progress in scientific engineering. It is an argument for the adjustment of our educational system to the new demands of the work force, and for the elimination of racial disadvantage. It is an argument, indeed, that these needs must be met if the way is to be cleared for that degree of technological development which is essential to a sufficiently rapid rate of growth in the economy.

"This is in no sense an insuperable problem. It only requires recognizing it for what it is, and moving to meet it. Years ago Gladstone cautioned us never to underestimate the resources of civilization against its enemies. Neither should we underestimate the resources of our society against the forces that accompany the accelerating technology of our age."

Need for Closer Coordination

"What is important is that there be a much closer coordination than there has been in the past between the public and the private parts of what are necessarily and inherently common programs.

"One of the most significant current developments in democratic capitalism is the breaking down of the old idea that public and private activity, especially in the economic field, must be kept separate and apart from each other. There are today numerous and significant illustrations of new forms of coordinated public and private action in meeting developing labor relations problems."

Collective Bargaining

"I conclude then with this picture of the future of collective bargaining: that it will necessarily, if it is to preserve its meaningfulness, take a larger account of the responsibilities which the new forces loose in the world have thrust upon the Nation; that the procedures of collective bargaining are already developing along new lines which make it a more reasoned sort of process, and that an essential part of this development will be a converging and a coordination of public and private decisionmaking in the whole area of labor relations.

"We stand today at what history will probably mark as a fairly clear fork in the development of labor-management relations in this country. Neither the traditional collective bargaining procedures nor the present labor dispute laws are working to the public's satisfaction, at least so far as major labor controversies are concerned.

"I assert, however, along with the public interest in avoiding crippling shutdowns in critical industries, the . . . equal public interest in preserving to the ultimate practicable extent the private decisionmaking process. And I am convinced that free, private collective bargaining can be made to work so that it will meet this demand upon it.

"It is easy to agree that the public interest will be most fully served in a particular case by prohibiting a strike and requiring the parties to submit their dispute to a third party. But there is also the public interest in leaving as many decisions as possible to private processes.

"The preservation of free collective bargaining depends on two necessary developments.

"One of these, extraneous to collective bargaining as such, has to do with the health of the economy as a whole.

"This involves, again, the fact that most of these recent emergency dispute cases have involved serious and difficult issues arising from the displacement, or threatened displacement, of men by machines or by new work methods. There is reason to question seriously whether large-scale problems of this kind can be satisfactorily dealt with in major industries by free collective bargaining *unless* the economy is developing at a rate which will give displaced employees reasonable assurance of an opportunity to find other jobs. If there is not that assurance they will probably deny their bargaining representatives the authority to negotiate for their discard.

"Beyond this, the future of collective bargaining—free of the weakening effects of statutory arbitration procedures—depends upon the development of *private* procedures which will permit and virtually assure the settlement of major disputes in critical industries without crippling shutdowns.

"There is significant evidence that this development is taking place today in a highly meaningful degree and at a rapidly accelerating pace.

"There has been one feature common to most of these recent emergency dispute cases which has received all too little notice. This is that the settlements in virtually all of them have included significant arrangements for meeting, and hopefully avoiding, another crisis.

"Nothing I have spoken of here is suggested as dogma. It is plainly not the product of any divine revelation, but is subject rather to the futility of trying to see ahead, a privilege which is—fortunately—denied to men. I urge only the imperative of recognizing the new demands today's ferment of progress and change places on the administrators and architects of American labor relations—the crucial need that man's administrative invention keep up with his scientific genius."

APPENDIX I

EARLY HISTORY LEADING TO ESTABLISHMENT OF DEPARTMENT OF LABOR

The first public declaration of labor's desire for the establishment of a Federal department of labor was made by the National Labor Union, meeting in convention in New York City during September 1868. Its president, William H. Sylvis, proposed, and it was agreed,¹ that a petition be submitted to Congress requesting the creation of a new department at Washington, to be called a department of labor. This department would have "charge of the public domain, the registration and regulation, under a general system, of trade unions, co-operative associations, and all other organizations of workingmen and women having for their object the protection of productive industry, and the elevation of those who toil."²

At its next convention, in Philadelphia during August 1869, the National Labor Union expressed itself more specifically in the following terms:

"... as labor is the foundation and cause of national prosperity, it is both the duty and the interest of government to foster and promote it. Its importance, therefore, demands the creation of an Executive Department of the Government at Washington, to be denominated the Department of Labor, which shall aid in protecting it above all other interests."³

In 1871 Congressman George F. Hoar of Massachusetts introduced into the House of Representatives a bill to create a commission on labor. Although trade unions supported his bill, they made it plain that they were doing so only "as a temporary expedient," and that they would "continue their effort in behalf of a Department of Labor." (1918: 462) The bill, as approved by the House of Representatives, provided for the appointment of a commission on the subject of wages and hours of labor and the division

¹ There is some evidence suggesting that the proposal was first made by Sylvis in his capacity as president of the International Moulders' Union as early as 1864; but the evidence is as yet unsubstantiated. Even if confirmed, the fact remains that the first organized expression of labor's desire was this resolution of 1868.

² Commons, John R. (ed), "A Documentary History of American Industrial Society," A. H. Clark Co., Cleveland, Ohio, 1910, vol. IX, pp. 224-225.

³ Workingman's Advocate, Chicago, September 4, 1869.

of profits between labor and capital in the United States. The bill, however, failed to pass the Senate.⁴

Creation of a Bureau of Labor

A tactical push then began for the establishment of a bureau of labor statistics. In 1873 the Industrial Congress held at Cleveland adopted the following declaration:

"To arrive at the true condition of the producing masses in their educational, moral, and financial condition, we demand from the several States and the National Government the establishment of bureaus of labor statistics." (1918: 463)

This partway policy was affirmed in 1874 by the same industrial body at its second meeting, held in April in Rochester, N.Y. On that occasion the Industrial Congress laid aside a resolution for waging a campaign in favor of the establishment of a national department of labor, doing so, however, with the understanding that the wiser course for securing such a department lay in the direction of first creating bureaus of labor both at Washington and in the several States.

This action was taken at about the beginning of the industrial depression of the 1870's during which there was little or no active labor movement in the United States. During these hard times, the Industrial Congress, which by then had changed its name to the Industrial Brotherhood, went out of existence, as had the National Labor Union before it. But, with the return of normal conditions, a new labor group—the Knights of Labor—became and for some years remained the principal labor organization of the country. (1920: 13)

At its first general assembly, in January 1878, the Knights of Labor advocated the establishment of labor bureaus. It decided as a matter of progressive policy not to demand an executive department in the Federal Government until labor bureaus had been established in States where industrial plants had attracted large numbers of skilled wage workers.

That same policy was pursued by the Federation of Organized Trades and Industrial Unions, which was to become the American Federation of Labor. The Federation in 1881, at its first convention, favored in these terms the establishment of a national bureau.

". . . we recognize the wholesome effect of a bureau of labor statistics as created in several States, and we urge upon our friends in Congress the passage of an act establishing a national bureau of labor statistics, and

⁴ Between 1864 and 1902, more than a hundred bills and resolutions anticipating the present Department of Labor were introduced in the Congress. (See "Organization and Laws of the Department of Commerce and Labor," published 1904 by the Government Printing Office.) Most of them were not even debated. However, on March 21, 1867, the House of Representatives established a Committee on Education and Labor (split into two separate committees on December 19, 1883) and the Senate on February 14, 1883, enlarged its Committee on Education by redesignating it the Committee on Education and Labor.

recommend for its management the appointment of a proper person identified with laboring classes of the country." (1918: 464)

Thenceforth, the friends of organized labor united in persistent efforts to secure a national labor bureau.

The demand was brought to the attention of Congress in 1879, when the Massachusetts legislature sent a resolution to Congress asking that it establish a national bureau of labor. Appropriate bills were introduced by Representative Murch of Maine and Senator Hoar. However, no action was taken.

Then, during the 48th Congress, various bills were introduced—for a department of industry, for a labor bureau in the Bureau of Agriculture, for a bureau of statistics of labor and industry, and for a department of labor statistics.

This last proposal was introduced in December 1883 by Representative James H. Hopkins of Pittsburgh, Pa. After amendment by the Senate and a Joint Conference, the bill was passed. On June 27, 1884, President Chester A. Arthur signed an act creating a Bureau of Labor in the Department of the Interior. (1920: 14)

Thus, "Twenty years of agitation over the country and of effort had passed before Congress had brought the wage workers thus far toward a realization of their demands for an executive department with a member of the President's Cabinet at its head. Thirty more were to pass before they realized their original proposal." (1920: 14-15)

Independent Status

Labor's agitation for a department of labor persisted.

Terence V. Powderly, the general master workman of the Knights of Labor, renewed the demand for an executive department. In his annual address before the General Assembly of that body at Minneapolis in 1887 he stated:

"I believe the day has come for united labor to ask at the hands of Congress the passage of a law creating a Department of Labor at the seat of the National Government. I would respectfully ask of the committee on legislation to prepare a bill and introduce it to Congress at the next session. The prosperity of the whole country rests on the broad shoulders of labor. There is nothing now so prominently before the Nation and the world as the question of labor. Nearly every action taken now by the Executive or his Cabinet deals in one way or another with the question of labor. Its ramifications extend everywhere, its power is felt everywhere, and its usefulness is now recognized everywhere. All this being true, it is no more than just that the President should have as a member of his Cabinet a man who represents more than . . . a class. Labor can not be called a class, for it is everywhere and at the base of everything. [With] a man in his Cabinet whom he could consult on the question of labor, the President would be in a better position to

deal with the question of capital. Labor today is entitled to far more at the seat of Government than a mere bureau. But it will not receive any more unless it asks for it. I recommend that it ask for the establishment of a Department of Labor." (1918: 465-6)

A bill for an executive department was subsequently introduced in Congress, but "upon assurances that congressional assent to placing a representative of wageworkers in the President's Cabinet could not be obtained, the supporters of this bill arrived at a compromise." (1920: 15) In 1888 congressional action was taken to promote the Bureau of Labor to independent status as a department of labor, but without executive rank; the Commissioner, although reporting directly to the President, was not to attend Cabinet meetings.

Partial Cabinet Recognition

Bills continued to be introduced for the creation of an independent department with Cabinet status. Among them were bills to establish respectively a department of agriculture and labor (the Bureau of Agriculture attained full Cabinet status in 1889), a department of industry and bureau of labor, a department of industries, a department of agriculture and industry, and a department of labor. This last was introduced by Representative General Weaver. Some of the bills were more intimately related to the commercial and business side of industrial affairs than to the wage-earning side. Others distinctly anticipated the present Department of Labor. None was enacted, but all played a part in the ultimate creation of the present Department.

At about the same time, bills were being introduced to establish a Department of Commerce. As a compromise, the two endeavors were blended by the 58th Congress into an act creating a Department of Commerce and Labor, in which the formerly independent Department of Labor was made a Bureau of Labor Statistics. This act was approved on February 14, 1903, by President Theodore Roosevelt.

Full Cabinet Status

Establishing a Department of Commerce and Labor, however, entrusted the welfare of wage earners to "an executive department designed to represent also, if not indeed primarily, the interests of employers. This amalgamated representation of industrial interests of a kind that are often conflicting in fact, whether so in essential principle or not, proved unsatisfactory. . . . An executive department in the interests of wage workers, such as they had urged upon Congress for nearly half a century, therefore, was demanded with greater popular emphasis than ever before." (1920: 16)

The demand finally found favor in the 62d Congress. In the winter of 1913, an act was passed, separating the divergent jurisdictions of the Department of Commerce and Labor by withdrawing from it such functions as had reference especially to wage-earning interests, and placing them under a new department—a Department of Labor. Commercial functions remained with

the former department, the name of which was altered to Department of Commerce.

The Department of Labor Act was signed by President William Howard Taft on March 4, 1913. It placed the Department under a Secretary of Labor, appointed by the President. By virtue of his rank as head of an executive department, the Secretary is a member of the President's Cabinet.

APPENDIX II

ROSTER OF ADMINISTRATIVE OFFICIALS, 1913-62

SECRETARIES OF LABOR

1913-21	William B. Wilson	1948-53	Maurice J. Tobin
1921-30	James J. Davis	1953	Martin P. Durkin
1930-33	William N. Doak	1953	Lloyd A. Mashburn (Actg.)
1933-45	Frances Perkins	1953-61	James P. Mitchell
1945-48	Lewis B. Schwellenbach *	1961-62	Arthur J. Goldberg
1948	David A. Morse (Actg.)	1962-	W. Willard Wirtz

UNDER SECRETARIES OF LABOR ¹

1913-21	Louis F. Post (The Assistant Secretary)	1946-47	Keen Johnson (Under Secretary)
1921-25	Edward J. Henning	1947-48	David A. Morse
1925-33	Robe C. White (First Assistant Secretary)	1949-53	Michael J. Galvin
1933-37	Edward F. McGrady	1953	Lloyd A. Mashburn
1938-41	Charles V. McLaughlin	1954-56	Arthur Larson
1941-46	Daniel W. Tracy	1957-60	James T. O'Connell
1946	John W. Gibson (Actg.)	1961-62	W. Willard Wirtz
		1962-	John F. Henning

DEPUTY UNDER SECRETARIES

1955-	Millard Cass
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ASSISTANT SECRETARIES ²

1922-25	Robe C. White (Second Assistant Secretary)	1950-52	Robert T. Creasey
1925-34	William W. Husband	1953-57	Rocco C. Siciliano
1934-35	Arthur J. Altmeyer	1953-54	Harrison C. Hobart
1939-40	Marshall E. Dimock	1953-54	Spencer Miller, Jr.
1940-41	Daniel W. Tracy	1954-58	J. Ernest Wilkins
1945	Edward C. Moran	1957-60	John J. Gilhooley
1946-47	David A. Morse (Assistant Secretary)	1957-60	Newell Brown
1946-47	Philip Hannah	1958-61	George C. Lodge
1946-50	John W. Gibson	1960-61	Walter C. Wallace
1947-48	John T. Kmetz	1961-62	Jerry R. Holleman
1948-53	Ralph Wright	1961-	James J. Reynolds
1949-53	Philip M. Kaiser	1961-	George L-P Weaver
		1961-	Esther Peterson

¹ Titles of earlier officers performing comparable duties are enclosed in parentheses. Prior to April 17, 1946, these appointments by the President were not subject to confirmation by the Senate.

² Prior to April 17, 1946, Assistant Secretaries were appointed by the President without being subject to Senate confirmation. Between 1935 and 1939 and between 1941 and 1945, comparable functions were performed by various special assistants to the Secretary.

*Died in office.

DEPUTY ASSISTANT SECRETARIES

1953-59	Leo R. Werts	1959-	Nelson M. Bortz
1956-	Charles Stewart	1962-	Harry Weiss
1957-59	Aryness Joy Wickens	1962-	John W. Leslie
1957-59	Robert K. Salyers	1962-	Morris Weisz
1959-62	Seymour L. Wolfbein	1962-	David E. Christian
1959-60	Henry W. Wiens (Actg.)		

SOLICITORS³

1913-18	John B. Densmore	1942-43	Irving J. Levy (Actg.)
1918-21	John W. Abercrombie	1943-45	Douglas B. Maggs
1921-32	Theodore G. Risley	1945-53	William S. Tyson
1933-35	Charles E. Wyzanski	1953	Harry N. Routzohn*
1936-37	Charles O. Gregory	1953-59	Stuart Rothman
1937-41	Gerard D. Reilly	1959-61	Harold C. Nystrom (Actg.)
1941-42	Warner W. Gardner	1961-	Charles Donahue

CHIEF CLERKS

1913-18	Robert Watson	1941-42	Jesse C. Watts (Actg.)
1918-41	Samuel J. Gompers	1942-52	James E. Dodson

ADMINISTRATIVE ASSISTANT SECRETARIES

1952-62	James E. Dodson	1962-	Leo R. Werts
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DEPUTY ADMINISTRATIVE ASSISTANT SECRETARIES

1959-	V. S. Hudson
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ASSISTANT ADMINISTRATIVE ASSISTANT SECRETARY

1962-	Edward J. McVeigh
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PERSONNEL

1936-46	Robert C. Smith (Director)	1947-51	Harris P. Shane ⁴
1946-47	Robert M. Barnett	1951-62	Edward J. McVeigh

INFORMATION

1935-45	James V. Fitzgerald (Director)	1954-58	George C. Lodge
1945-46	Leslie P. Eichel (Actg.)	1958-59	Roger G. Kennedy
1946-54	Herbert Little	1959-	John W. Leslie

LIBRARY

1912-47	Laura Thompson (Librarian)	1951-	Margaret F. Brickett
1947-50	Helen M. Steele *		

INTERNATIONAL LABOR AFFAIRS

1948-49	Philip M. Kaiser (Executive Director)	1950-59	Arnold Zempel
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APPRENTICESHIP AND TRAINING

1945-56	William F. Patterson (Director)	1961-	Edward E. Goshen
1956-60	W. C. Christensen		

³ Prior to June 1933, on assignment from Department of Justice.

* Acting until 1950.

*Died in office.

EMPLOYMENT SERVICE

1915-18	Terence V. Powderly (Chief, in Immigration Service)	1931-33	John R. Alpine (Supervising Director)
1918-21	John B. Densmore (Director General)	1933-39	W. Frank Persons (Director)
1921-31	Francis I. Jones	1945-49	Robert C. Goodwin

EMPLOYMENT SECURITY

1949- Robert C. Goodwin (Director)

DEFENSE MANPOWER

1951-53 Frank P. Graham (Administrator)

VETERANS' EMPLOYMENT

1949-55 Perry Faulkner (Chief) 1955- Edward L. Omohundro

EMPLOYEES' COMPENSATION

1950- William McCauley (Director)

EMPLOYEES' COMPENSATION APPEALS BOARD

1950 Henry C. Iler (Chairman)* 1955- Theodore M. Schwartz
1951-55 John E. Lawyer

LABOR-MANAGEMENT REPORTS

1960- John L. Holcombe (Commissioner)

LABOR STANDARDS

1934-46	Verne A. Zimmer (Director)*	1954-57	Paul M. Gurske
1946-47	Clara M. Beyer (Actg.)	1957-58	Clara M. Beyer (Actg.)
1947-54	William L. Connolly	1958-	Arthur W. Motley

LABOR STATISTICS

1884-1905	Carroll D. Wright (Commis- sioner of Labor)	1932-33	Charles E. Baldwin (Actg.)
1905-13	Charles P. Neill	1933-40	Isadore Lubin
1913-20	Royal S. Meeker (Commis- sioner)	1941-46	A. F. Hinrichs (Actg.)
1920-32	Ethelbert Stewart	1946-54	Ewan Clague
		1954-55	Aryness Joy Wickens (Actg.)
		1955-	Ewan Clague

MANPOWER, AUTOMATION, AND TRAINING

1962- Seymour Wolfbein

VETERANS' REEMPLOYMENT RIGHTS

1947-57 Robert K. Salyers (Director) 1957- Hugh W. Bradley

*Died in office.

WAGE AND HOUR

1938-39 Elmer F. Andrews (Administrator) 1940-41 Philip B. Fleming

WAGE AND HOUR AND PUBLIC CONTRACTS

1942-47	L. Metcalf Walling (Administrator)	1955	Stuart Rothman (Actg.)
1947-55	William R. McComb	1955-57	Newell Brown
		1958-	Clarence T. Lundquist

WOMEN 5

1918-19	Mary Van Kleeck (Director)	1953-60	Alice K. Leopold
1919-44	Mary Anderson	1961-	Esther Peterson
1944-53	Frieda S. Miller		

CHILDREN

1912-21 Julia C. Lathrop (Chief) 1934-46 Katherine Lenroot
1921-34 Grace Abbott

CONCILIATION

1917-37 Hugh L. Kerwin (Director) 1937-45 John R. Steelman
1937 Howard T. Colvin (Actg.) 1945-47 Edgar L. Warren

IMMIGRATION

1913-21	Anthony Caminetti (Commissioner General)	1925-32	Harry E. Hull
1921-25	William W. Husband	1932-33	Daniel W. MacCormack

NATURALIZATION

1913-22 Richard K. Campbell (Commissioner General) 1923-33 Raymond F. Crist (Commissioner)

IMMIGRATION AND NATURALIZATION

1933-37 Daniel W. MacCormack (Commissioner)* 1937-40 James L. Houghteling

INFORMATION AND EDUCATION SERVICE

1918-19 Roger W. Babson (Chief)

INVESTIGATION AND INSPECTION SERVICE

1918-19 Ethelbert Stewart (Director)

NATIONAL WAR LABOR BOARD

1918-19 William H. Taft } Co-chairmen
Frank P. Walsh *

⁵ Woman in Industry Division until June 1920.

⁶ Succeeded by Basil M. Manly.

*Died in office.

NEGRO ECONOMICS

1918-21 George E. Haynes (Chief)

RETRAINING AND REEMPLOYMENT

1945-47 Maj. Gen. G. B. Erskine (Administrator)

TRAINING AND DILUTION SERVICE

1918-19 Charles T. Clayton (Director)

U.S. HOUSING CORPORATION⁷

1918 Otto M. Eidritz (Director)

1929-31 Lula T. Andrews

1918-19 Leroy K. Sherman

1931-32 Theodore W. Risley

1920-27 Robert Watson

1933-37 Turner W. Battle

1928-29 Lewis E. Reid

WAR LABOR POLICIES BOARD

1918-19 Felix Frankfurter (Chairman)

WORKING CONDITIONS SERVICE

1918-19 Grant Hamilton (Director General)

⁷ Bureau of Industrial Housing and Transportation until incorporation in July 1918.

APPENDIX III

LAWS AND ORDERS

(PUBLIC LAW 426—62D CONGRESS)
(CHAPTER 141—3D SESSION)
(H.R. 22913)

An Act to create a Department of Labor

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby created an executive department in the Government to be called the Department of Labor, with a Secretary of Labor, who shall be the head thereof, to be appointed by the President, by and with the advice and consent of the Senate; and who shall receive a salary of twelve thousand dollars per annum, and whose tenure of office shall be like that of the heads of the other executive departments; and section one hundred and fifty-eight of the Revised Statutes is hereby amended to include such department, and the provisions of title four of the Revised Statutes, including all amendments thereto, are hereby made applicable to said department; and the Department of Commerce and Labor shall hereafter be called the Department of Commerce, and the Secretary thereof shall be called the Secretary of Commerce, and the Act creating the said Department of Commerce and Labor is hereby amended accordingly. The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States, to improve their working conditions, and to advance their opportunities for profitable employment. The said Secretary shall cause a seal of office to be made for the said department of such device as the President shall approve and judicial notice shall be taken of the said seal.

SEC. 2. That there shall be in said department an Assistant Secretary of Labor, to be appointed by the President, who shall receive a salary of five thousand dollars a year. He shall perform such duties as shall be prescribed by the Secretary or required by law. There shall also be one chief clerk and a disbursing clerk, and such other clerical assistants, inspectors, and special agents as may from time to time be provided for by Congress. The Auditor for the State and Other Departments shall receive and examine all accounts of salaries and incidental expenses of the office of the Secretary of Labor and of all bureaus and offices under his direction, and all accounts relating to all other business within the jurisdiction of the Department of Labor, and certify

the balances arising thereon to the division of bookkeeping and warrants and send forthwith a copy of each certificate to the Secretary of Labor.

SEC. 3. That the following-named officers, bureaus, divisions, and branches of the public service now and heretofore under the jurisdiction of the Department of Commerce and Labor, and all that pertains to the same, known as the Commissioner General of Immigration, the Commissioners of Immigration, the Bureau of Immigration and Naturalization, the Division of Information, the Division of Naturalization, and the Immigration Service at Large, the Bureau of Labor, the Children's Bureau, and the Commissioner of Labor, be, and the same hereby are, transferred from the Department of Commerce and Labor to the Department of Labor, and the same shall hereafter remain under the jurisdiction and supervision of the last-named department. The Bureau of Immigration and Naturalization is hereby divided into two bureaus, to be known hereafter as the Bureau of Immigration and the Bureau of Naturalization, and the titles Chief, Division of Naturalization and Assistant Chief shall be Commissioner of Naturalization and Deputy Commissioner of Naturalization. The Commissioner of Naturalization or, in his absence, the Deputy Commissioner of Naturalization, shall be the administrative officer in charge of the Bureau of Naturalization and of the administration of the naturalization laws under the immediate direction of the Secretary of Labor, to whom he shall report directly upon all naturalization matters annually and as otherwise required, and the appointments of these two officers shall be made in the same manner as appointments to competitive classified civil-service positions. The Bureau of Labor shall hereafter be known as the Bureau of Labor Statistics, and the Commissioner of the Bureau of Labor shall hereafter be known as the Commissioner of Labor Statistics; and all the powers and duties heretofore possessed by the Commissioner of Labor shall be retained and exercised by the Commissioner of Labor Statistics; and the administration of the Act of May thirtieth, nineteen hundred and eight, granting to certain employees of the United States the right to receive from it compensation for injuries sustained in the course of their employment.

SEC. 4. That the Bureau of Labor Statistics, under the direction of the Secretary of Labor, shall collect, collate, and report at least once each year, or oftener if necessary, full and complete statistics of the conditions of labor and the products and distribution of the products of the same, and to this end said Secretary shall have power to employ any or either of the bureaus provided for his department and to rearrange such statistical work and to distribute or consolidate the same as may be deemed desirable in the public interests; and said Secretary shall also have authority to call upon other departments of the Government for statistical data and results obtained by them; and said Secretary of Labor may collate, arrange, and publish such statistical information so obtained in such manner as to him may seem wise.

SEC. 5. That the official records and papers now on file in and pertaining exclusively to the business of any bureau, office, department, or branch of the public service in this Act transferred to the Department of Labor, together with the furniture now in use in such bureau, office, department, or branch of the public service, shall be, and hereby are, transferred to the Department of Labor.

SEC. 6. That the Secretary of Labor shall have charge in the buildings or premises occupied by or appropriated to the Department of Labor, of the library, furniture, fixtures, records, and other property pertaining to it or hereafter acquired for use in its business; he shall be allowed to expend for periodicals and the purposes of the library and for rental of appropriate quarters for the accommodation of the Department of Labor within the District of Columbia, and for all other incidental expenses, such sums as Congress may provide from time to time: *Provided, however,* That where any office, bureau, or branch of the public service transferred to the Department of Labor by this Act is occupying rented buildings or premises, it may still continue to do so until other suitable quarters are provided for its use: *And provided further,* That all officers, clerks, and employees now employed in any of the bureaus, offices, departments, or branches of the public service in this Act transferred to the Department of Labor are each and all hereby transferred to said department at their present grades and salaries, except where otherwise provided in this Act: *And provided further,* That all laws prescribing the work and defining the duties of the several bureaus, offices, departments, or branches of the public service by this Act transferred to and made a part of the Department of Labor shall, so far as the same are not in conflict with the provisions of this Act, remain in full force and effect, to be executed under the direction of the Secretary of Labor.

SEC. 7. That there shall be a solicitor of the Department of Justice for the Department of Labor, whose salary shall be five thousand dollars per annum.

SEC. 8. That the Secretary of Labor shall have power to act as mediator and to appoint commissioners of conciliation in labor disputes whenever in his judgment the interests of industrial peace may require it to be done; and all duties performed and all power and authority now possessed or exercised by the head of any executive department in and over any bureau, office, officer, board, branch, or division of the public service by this Act transferred to the Department of Labor, or any business arising therefrom or pertaining thereto, or in relation to the duties performed by and authority conferred by law upon such bureau, officer, office, board, branch, or division of the public service, whether of an appellate or revisory character or otherwise, shall hereafter be vested in and exercised by the head of the said Department of Labor.

SEC. 9. That the Secretary of Labor shall annually, at the close of each fiscal year, make a report in writing to Congress, giving an account of all moneys received and disbursed by him and his department and describing the work done by the department. He shall also, from time to time, make such special investigations and reports as he may be required to do by the President, or by Congress, or which he himself may deem necessary.

SEC. 10. That the Secretary of Labor shall investigate and report to Congress a plan of coordination of the activities, duties, and powers of the office of the Secretary of Labor with the activities, duties, and powers of the present bureaus, commissions, and departments, so far as they relate to labor and its conditions, in order to harmonize and unify such activities, duties, and powers, with a view to further legislation to further define the duties and powers of such Department of Labor.

SEC. 11. That this Act shall take effect March fourth, nineteen hundred and thirteen, and all Acts or parts of Acts inconsistent with this Act are hereby repealed.

Approved March 4, 1913.

June 30, 1922.
[S. 3396.]
[Public, No. 260.]

CHAP. 254.—An Act Creating the positions of Second Assistant Secretary and private secretary in the Department of Labor.

Department of
Labor.
Second Assistant
Secretary to be ap-
pointed.

Salary and du-
ties.

R.S., secs. 177,
179, p. 28.

Private secretary.

Appropriation for
salaries.
Post, p. 1051.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be in the Department of Labor an additional Secretary, who shall be known and designated as Second Assistant Secretary of Labor. He shall be appointed by the President and shall receive a salary of \$5,000 a year. He shall perform such duties as shall be prescribed by the Secretary of Labor, or required by law, and in case of the death, resignation, absence, or sickness of the Assistant Secretary, shall until a successor is appointed or such absence or sickness shall cease, perform the duties developing upon the Assistant Secretary by reason of section 177, Revised Statutes, unless otherwise directed by the President, as provided by section 179, Revised Statutes.

SEC. 2. That there shall be in the Department of Labor one private secretary to the Second Assistant Secretary of Labor at a salary of \$2,100 a year.

SEC. 3. That there is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$8,283.34, or so much thereof as may be necessary, to pay the salaries of the Second Assistant Secretary of Labor and the private secretary to the Second Assistant Secretary for the fiscal years 1922 and 1923.

Approved, June 30, 1922.

AN ACT

To establish an office of Under Secretary of Labor, and three offices of Assistant Secretary of Labor, and to abolish the existing office of Assistant Secretary of Labor and the existing office of Second Assistant Secretary of Labor.

April 17, 1946
[S. 1298]
[Public Law 346]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby established in the Department of Labor the office of Under Secretary of Labor, which shall be filled by appointment by the President, by and with the advice and consent of the Senate. The Under Secretary shall receive compensation at the rate of \$10,000 a year and shall perform such duties as may be prescribed by the Secretary of Labor or required by law. The Under Secretary shall (1) in case of the death, resignation, or removal from office of the Secretary, perform the duties of the Secretary until a successor is appointed, and (2) in case of the absence or sickness of the Secretary, perform the duties of the Secretary until such absence or sickness shall terminate.

SEC. 2. There are hereby established in the Department of Labor three offices of Assistant Secretary of Labor, which shall be filled by appointment by the President, by and with the advice and consent of the Senate. Each of the Assistant Secretaries of Labor shall receive compensation at the rate of \$10,000 a year and shall perform such duties as may be prescribed by the Secretary of Labor or required by law.

SEC. 3. The office of Assistant Secretary of Labor established by section 2 of the Act entitled "An Act to create a Department of Labor", approved March 4, 1913, is hereby abolished, and such section 2 is amended by striking out the first two sentences thereof. The office of Second Assistant Secretary of Labor established by the Act entitled "An Act creating the positions of Second Assistant Secretary and private secretary in the Department of Labor", approved June 30, 1922, is hereby abolished, and such Act of June 30, 1922, is repealed.

Department of
Labor.
Under Secretary.

Compensation;
duties.

Assistant Secre-
taries.

Compensation;
duties.

37 Stat. 736.
5 U.S.C. § 612.

42 Stat. 766.
5 U.S.C. §§ 613,
614.

Approved April 17, 1946.

U.S. DEPARTMENT OF LABOR,
OFFICE OF THE SECRETARY,
Washington.

General Order No. 86

PRESCRIBING THE ORDER OF SUCCESSION OF OFFICERS
TO ACT AS SECRETARY OF LABOR

By virtue of and pursuant to the authority vested in me by the Act of March 4, 1913 (37 Stat. 736; 5 U.S.C. 611), R.S. 161 (5 U.S.C. 22) and Executive Order 10513 of January 19, 1954 (19 F.R. 369), and to provide for the order of succession of officers to act as Secretary of Labor in case of the absence, sickness, resignation, or death of the Secretary of Labor and the Under Secretary of Labor, it is ordered:

I. Designation of Order of Succession

A. In case of the absence, sickness, resignation, or death of both the Secretary of Labor and the Under Secretary of Labor, the incumbents of the following positions shall act as Secretary of Labor in the order indicated:

1. Assistant Secretary of Labor for Employment and Manpower.
2. Assistant Secretary of Labor for Standards and Statistics.
3. Assistant Secretary of Labor for International Labor Affairs.
4. Solicitor of Labor.

B. The individual assuming the duties of the Secretary of Labor pursuant to paragraph A. above shall use the title Acting Secretary of Labor, and in that capacity may exercise the powers, duties, and authorities vested in the Secretary of Labor.

II. In case, for any reason, the Presidential appointees listed above are unable to act as Secretary of Labor, then the two top civil service officials of the Department of Labor shall serve in the following capacities:

1. The Administrative Assistant Secretary of Labor shall be responsible for budget, management, fiscal, and administrative matters.
2. The Deputy Under Secretary of Labor shall be responsible for all policies, operations, and programs.

III. Effective Date

This General Order is effective the date of issuance.

Secretary of Labor.

WASHINGTON, D.C., May 2, 1955.

APPENDIX IV

CHRONOLOGY

1840

President Van Buren establishes 10-hour day for Federal employees on public works.

1842

Massachusetts high court holds that labor unions are not illegal, that conspiracy requires a "criminal or unlawful purpose" with "criminal or unlawful means," and that attempted closed shop is not unlawful (*Commonwealth v. Hunt*, 4 Metc. 111, 38 Am. Dec. 346).

1867

House of Representatives establishes Committee on Education and Labor.

1868

Congress passes first Federal 8-hour-day act for U.S. Government laborers and mechanics (15 Stat. 77).

National Labor Union urges creation of a Federal department of labor.

1869

Massachusetts establishes first State bureau of labor statistics.

1870

Senate establishes Committee on Education and Labor.

1878

Knights of Labor advocate establishment of bureaus of labor statistics in all States.

1881

Federation of Organized Trades and Labor Unions urges establishment of a national bureau of labor statistics.

1884

President Arthur signs the Hopkins bill to establish the Bureau of Labor in the Department of the Interior under a Commissioner appointed by the President (23 Stat. 60).

1886

President Cleveland recommends to Congress that functions of the Bureau of Labor be enlarged to include investigation of causes of labor disputes.

1887

Knights of Labor urge Congress to create a Federal department of labor with Cabinet status.

Bureau of Labor publishes first report on industrial disputes.

1888

President Cleveland approves the O'Neill bill to establish a "department" of labor (though without Cabinet status) (25 Stat. 182). Commissioner Carroll D. Wright is made directly responsible to the President.

Congress passes first law dealing with railway labor matters. The law provides for boards of arbitration to investigate causes of disputes in the industry. Commissioner of Labor is made a member of such boards (25 Stat. 501).

1889-94

"Department" of Labor publishes first reports on working women in cities, their earnings, expenditures, living conditions, occupations, etc. (1889); marriage and divorce (1889); earnings and working conditions on railroads (1890); cost of production, labor and other, U.S. and foreign; consumer expenditures of U.S. workers: iron, steel, coal, etc. (1891); consumer prices and wages expressed in dollars monthly (1892); labor laws of the States and Territories (1892); wholesale prices, hours, and annual earnings (1893); vocational education, the status of training and technical schools in the U.S. and Europe (1893); compulsory sickness and old-age insurance and workmen's compensation in Germany and other European countries (1893); living conditions, the slums (1894); and operations of building and loan associations (1894).

1895

In re Debs, 158 U.S. 564. Supreme Court affirms injunction against Pullman strike requested by Government on the grounds that the strike interfered with movement of the mails.

"Department" of Labor publishes first reports on housing of workers and public and private debt.

1896

"Department" of Labor publishes first reports on working conditions, the sweating system; and national wealth, product, and debt.

1897

"Department" of Labor publishes first reports on conciliation, mediation, and arbitration, methods and principles; conditions of Negroes in cities; factory inspection, safety laws.

1898

Holden v. Hardy, 169 U.S. 366. Supreme Court upholds constitutionality of State 8-hour law applicable to underground mines and ore reduction plants, as valid exercise of police power since legislature had reasonable grounds for believing that "these employments where too long pursued [were] detrimental to the health" of the employee (169 U.S. at 395).

"Department" of Labor publishes first reports on mechanization, productivity of hand and machine labor; and benefit features of trade unions.

1900

"Department" of Labor publishes first reports on costs and prices under public and private ownership of public utilities; effects of trusts and industrial combinations on production and prices.

1902

"Department" of Labor publishes first report on wholesale prices.

1903

President Theodore Roosevelt signs bill creating Department of Commerce and Labor (32 Stat. 825). The new Department includes, among others, the Bureau of Immigration from the Treasury Department and the former "Department" of Labor.

1904

Bureau of Labor publishes first reports on consumer expenditures, workers' families; consumer price index for food; regulation and restriction of output by employers and unions.

1905

Lochner v. New York, 198 U.S. 45. Supreme Court holds New York maximum hours law for bakery workers to violate Fourteenth Amendment as an undue interference with liberty of contract.

Bureau of Labor publishes first occupational wage survey, by industry: wages and hours of labor.

1907

Congress authorizes Secretary of Commerce and Labor to investigate and report on industrial, social, moral, educational, and physical conditions of women and child workers in the United States (34 Stat. 866).

Congress adds as a function of the Bureau of Immigration and Naturalization a Division of Information authorized to promote "a beneficial distribution of aliens . . . by collecting and disseminating . . . data and to assist in the placement of workers" (34 Stat. 898).

Bureau of Labor publishes report on the work of public employment offices.

1908

Executive Committee of American Federation of Labor urges the establishment of a separate Department of Labor.

Bureau of Labor publishes first report on work injury statistics, in selected industries.

January 6: *Howard v. Illinois Central R.R. Co.*, 207 U.S. 463. Supreme Court holds Federal Employers' Liability Act unconstitutional because its coverage included intrastate employees of interstate carriers.

Congress authorizes Secretary of Commerce and Labor to provide compensation for certain Federal employees killed or injured on the job (35 Stat. 556). Administration assigned to Bureau of Labor.

January 27: *Adair v. United States*, 208 U.S. 161. Supreme Court holds unconstitutional section 10 of Erdman Act prohibiting railroads from requiring "yellow dog" contracts as a condition of employment, finding that this provision violates the Fifth Amendment by invading liberty of contract. It holds further that there is "no such connection between interstate commerce and membership in a labor organization as to authorize Congress to make it a crime against the United States for an agent of an interstate carrier to discharge an employee because of such membership on his part." 208 U.S. at 179.

February 3: *Loewe v. Lawlor* (Danbury Hatters case), 208 U.S. 274. Supreme Court first applies treble-damage provisions of the Sherman Anti-Trust Act to a labor union, holding a secondary boycott to constitute a restraint of trade. Individual union members are held responsible for the union's acts.

February 24: *Muller v. Oregon*, 208 U.S. 412. Supreme Court upholds constitutionality of Oregon 10-hour law for women in industrial work, finding the "wide-spread belief that woman's physical structure, and the functions she performs in consequence thereof, [to] justify special legislation restricting or qualifying the conditions under which she should be permitted to toil." 208 U.S. at 420.

1909

First White House Conference on Children recommends the creation of a children's bureau.

Bureau of Labor publishes first report on work injury statistics in iron and steel industry.

1911

Representative William B. Wilson of Pennsylvania, former secretary-treasurer of the United Mine Workers Union, becomes chairman of the House Committee on Labor.

Bureau of Labor publishes first report on consumer budgets: minimum standard and fair standard.

January 3: *Bailey v. Alabama*, 219 U.S. 219. Supreme Court holds unconstitutional State law providing criminal penalties for failure to perform labor contract, as conflicting with Thirteenth Amendment.

May 15: *Gompers v. Bucks Stove & Range Co.*, 221 U.S. 418. Supreme Court upheld injunction against AFL's "We Don't Patronize" list, holding that freedom of speech did not protect secondary boycott.

1912

Congress creates Children's Bureau in Department of Commerce and Labor (37 Stat. 79).

January 15: *Second Employers' Liability Cases*, 223 U.S. 1. Supreme Court upholds constitutionality of Federal Employers' Liability Act, on ground that injuries sustained while engaged in interstate commerce have a substantial connection with such commerce.

Bureau of Labor publishes first report on collective bargaining, covering the women's clothing industry, New York.

1913

Congress extends power of Commissioner General of Immigration to establish and maintain immigration stations at such interior places as may be necessary to aid in the distribution of labor (37 Stat. 682).

President Taft approves the Sulzer bill creating an executive Department of Labor (37 Stat. 736). Constituent bureaus: Immigration, Naturalization, Labor Statistics, and Children's Bureau. Secretary of Labor authorized to mediate in labor disputes.

William B. Wilson sworn in by President Woodrow Wilson as first Secretary of Labor. Departmental headquarters located in Willard Building.

Congress approves first appropriation for the expenses of commissioners of conciliation in labor disputes (38 Stat. 225).

Bureau of Labor Statistics publishes first reports on accident prevention measures, iron and steel; union wage scales and hours, selected trades.

1914

Department of Labor transferred to Mills Building at corner of Pennsylvania Avenue and 17th Street, NW.

News Release Office established in Office of the Assistant Secretary.

In his annual report, Secretary Wilson publishes his statement of interpretation of the organic act and of his policy regarding the functions of the Department of Labor, stating that the Department is intended to serve equally the unorganized as well as the organized, the employer as well as the employee, for the benefit of the Nation as a whole.

1915

Department officially announces establishment of a federally organized system of free public employment offices. First national conference is held of Federal, State, and city officials of free public employment services.

Department publishes its first and only compendium of regulations.

1916

Congress passes Child Labor Act (39 Stat. 675).

Employees' compensation function transferred from Department of Labor to an independent commission (39 Stat. 742).

BLS publishes first reports on profit sharing and on employees and earnings in selected industries.

1917

Secretary of Labor submits to Congress, as required by law, a report on what reorganizations are needed to complete the functions of the Department (Doc. 1906 of 64th Cong., 2d sess.).

Congress authorizes transfer of Division of Immigration with its employment functions from Bureau of Immigration to Office of Secretary of Labor (39 Stat. 874).

War with Germany declared.

Secretary establishes U.S. Boys' Working Reserve for boys aged 16 or older or over school age to work on farms, and U.S. Public Service Reserve for the registration of persons offering their services to the Government for war purposes. Department assumes a part of the work done during previous 6 months by National League for Woman's Service in getting women to work in war industries.

Department of Labor moves into new "Department of Labor Building" at 1712-22 G Street, NW. Departmental library created by consolidation of former libraries of Children's Bureau and Bureau of Labor Statistics.

Congress provides funds and authorizes Secretary of Labor to assist in the employment of wage earners as may be necessary in the prosecution of the war.

Secretary of War issues orders prohibiting employment of minors on military reservations except as allowed by Child Labor Act.

President appoints Mediation Commission, headed by Secretary of Labor, to adjust wartime labor disputes.

March 19: *Wilson v. New*, 243 U.S. 332. Supreme Court upholds Adamson 8-hour law applicable to railroad employees engaged in the movement of trains.

December 10: *Hitchman Coal and Coke Co. v. Mitchell*, 245 U.S. 229. Supreme Court holds a union's efforts to organize workers covered by "yellow dog" contracts to be unlawful and enjoinable.

1918

President creates a War Labor Administration, with Secretary of Labor as Administrator. Functions include furnishing adequate supply of labor for war industries; establishing machinery for settling labor disputes; and safeguarding labor conditions, including housing and transportation for workers in war industry areas. He also creates, on recommendation of Sec-

retary of Labor, a National War Labor Board equally representative of labor and employers.

Secretary of Labor appoints an Advisory Council for the War Labor Administration. In the Department he establishes a Bureau of Housing and Transportation, a Division of Negro Economics, an Information and Education Service, a Working Conditions Service, a Training and Dilution Service, a Woman in Industry Service, and an Investigation and Inspection Service. On recommendation of his Advisory Council, he also appoints a War Labor Policies Board, including representatives of all Federal agencies directly concerned in the use of manpower for war production. He amends immigration rules to permit importation of Mexican labor on farms, railroads, and mines, and obtains Presidential approval of policy that all recruiting of unskilled labor connected with the war shall be through methods authorized by U.S. Employment Service.

Congress passes Department of Labor War Emergency Services Act, appropriating funds and authorizing the Secretary of Labor to "carry out the work of the war-labor administration, including mediation and conciliation in labor disputes, the working conditions of wage earners in the most essential war industries, the acquiring and diffusing of information on subjects connected with labor, the employment of women in industry, and the training and dilution of labor" (40 Stat. 695). The Immigration Act is amended to provide for the deportation of "anarchists" by order of the Secretary of Labor (40 Stat. 1012).

BLS makes a survey of family budgets and of living conditions of war workers.

June 3: *Hammer v. Dagenhart*, 247 U.S. 251. Supreme Court holds that Congress did not have power to enact the Child Labor Act, which prohibited the shipment in interstate commerce of goods manufactured by the use of child labor. (This decision was expressly overruled in 1941 in *United States v. Darby*.)

However, the War Labor Policies Board directs the inclusion of Federal minimum standards in every Government contract.

1919

With the conclusion of the war, many of the war activities of the Department cease for lack of appropriations. However, Congress provides funds for continuance of the U.S. Employment Service, the U.S. Conciliation Service, and the U.S. Housing Corporation (41 Stat. 55). All field offices of the USES are turned over to the States.

In the Revenue Act of 1919, Congress imposes a tax on the employment of child labor. (This, however, was declared unconstitutional in 1922 on the ground that a tax imposed on establishments employing children is on its face a penalty and not a tax.)

The President convokes a National Industrial Conference under the chairmanship of the Secretary of Labor; it terminates without agreement. A later report is published by the public representatives.

The International Labor Organization, created by the Treaty of Versailles, holds its first meeting in Washington, D.C., under the chairmanship of Secretary Wilson.

BLS publishes first report on fringe benefits, health, vacation, pension, family welfare, etc.; and its first report on Consumer Price Index for all commodities and services (back to 1913).

1920

Congress creates the Railway Labor Board to settle disputes between carriers and their employees (41 Stat. 456), and passes a law requiring the deportation of undesirable aliens under certain conditions (41 Stat. 593).

Congress creates the Women's Bureau in the Department of Labor (41 Stat. 987), and provides funds for continuation of the USES, including its farm labor services (41 Stat. 935).

1921

President Harding appoints James J. Davis as second Secretary of Labor.

Congress imposes numerical restrictions on immigration based on the quota system (42 Stat. 5), and provides grants-in-aid for the promotion of the welfare and hygiene of maternity and infancy (42 Stat. 224).

January 3: *Duplex Printing Press Co. v. Deering*, 254 U.S. 443. Supreme Court holds that the Clayton Act did not legalize secondary boycotts.

December 19: *Truax v. Corrigan*, 257 U.S. 312. Supreme Court holds unconstitutional the Arizona law forbidding injunctions in labor disputes and permitting picketing, as in violation of Fourteenth Amendment.

1922

Congress establishes in the Department of Labor the position of Second Assistant Secretary, whose main function is to speed up administration of the immigration laws (42 Stat. 766).

May 15: *Bailey v. Drexel Furniture Co.*, 259 U.S. 20. Supreme Court holds child labor tax law unconstitutional on the ground that the tax on establishments employing child labor is a penalty and not a tax.

April 9: *Adkins v. Children's Hospital*, 261 U.S. 525. Supreme Court holds unconstitutional the District of Columbia's minimum wage law for women as interfering with liberty of contract.

1924

Congress revises and tightens the immigration laws (43 Stat. 153), and initiates the child labor amendment to the Constitution (43 Stat. 670).

BLS publishes first report on employment consequences of technological change.

1925

BLS publishes first report on work injury statistics, by industry.

1926

First national conference on accident prevention and workmen's compensation.

BLS publishes its first directory of U.S. trade unions; first report on productivity of labor in various industries.

1927

Congress passes the Longshoremen's and Harbor Workers' Compensation Act, providing compensation for private employees subject to the Federal maritime jurisdiction (44 Stat. 1424).

1928

Congress holds extensive hearings on unemployment.

1929

President Hoover appoints an Emergency Committee for Employment. The New York stock market crashes.

1930

Congress approves appropriations for the emergency construction of public works to stimulate employment (46 Stat. 1030), authorizes the Department of Labor to collect unemployment statistics (46 Stat. 1019), and prescribes, as a special function of the USES, employment services for veterans (46 Stat. 110).

Fire destroys a large part of the equipment and records of the Children's and Women's Bureaus located in a temporary building.

President Hoover appoints William N. Doak as third Secretary of Labor.

May 26: *Texas & N.O.R. Co. v. Brotherhood of Railway Clerks*, 281 U.S. 548. Supreme Court upholds power of Congress to prohibit employer from interfering with employees' choice of bargaining agents in Railway Labor Act.

1931

The President pocket-vetoes a bill providing for the establishment of a national employment system in cooperation with the States. With private assistance, demonstration public employment offices are developed in various industrial cities.

Congress passes the Davis-Bacon (Prevailing Wage) Act, which provides that the rate of wages for laborers and mechanics employed on public build-

ings of the United States shall be not less than those prevailing for work of a similar nature in the area (46 Stat. 1494).

1932

Congress passes the Norris-LaGuardia Act, which restricts the authority of Federal courts in the issuance of injunctions in labor disputes (47 Stat. 70), and the Emergency Relief and Construction Act of 1932, to create employment through a public works program (47 Stat. 709).

The new Labor Department Building, at corner of Constitution Avenue and 14th Street, is dedicated.

1933

President F. D. Roosevelt appoints Frances Perkins as fourth Secretary of Labor. She is the first woman Cabinet member in U.S. history.

Congress passes the National Industrial Recovery Act (48 Stat. 195), the Federal Emergency Relief Administration Act (48 Stat. 55), and the Wagner-Peyser Act, which provides for the financing on a matching basis of a nationwide Federal-State public employment system (48 Stat. 113).

The President creates a Civil Works Administration (E. O. 6420-B), authorizes consolidation of Immigration and Naturalization in a single service, and transfers the Solicitor of Labor from the Department of Justice to the Department of Labor (E. O. 6166).

1934

Congress passes the Sugar Act, which authorizes the Secretary of Agriculture to regulate child labor and establish minimum wages in beetsugar farming (48 Stat. 674); an act which authorizes the Secretary of Labor to issue regulations regarding prohibition of wage returns by employers (48 Stat. 948); and the (Copeland) Anti-racketeering Act, which protects trade against interference from violence (48 Stat. 979). It also approves United States representation in the International Labor Organization (48 Stat. 1182).

The President establishes an Advisory Council on Economic Security, with Secretary of Labor as chairman, to develop a national program of unemployment insurance, health care, and old-age insurance (E.O. 6757), and issues provisions governing the employment of apprentices under NRA codes (E.O. 6750-C). The Federal Committee on Apprentice Training is located in the newly established Division of Labor Standards in the Department of Labor.

BLS publishes first daily spot market price index.

1935

The Department of Labor moves into its new building.

The Secretary calls the first National Conference on Labor Legislation.

The USES begins a program of occupational research.

The President creates a Works Progress Administration (E.O. 7034) and a National Youth Administration (E.O. 7086).

Congress passes the Wagner National Labor Relations Act, establishing a National Labor Relations Board (49 Stat. 449); the Social Security Act, part of which provides the basic Federal-State framework for a system of unemployment insurance (49 Stat. 620); and the Railroad Retirement Act (49 Stat. 967).

May 6: *Railroad Retirement Board v. Alton R. Co.*, 295 U.S. 330. Supreme Court holds unconstitutional the provision in the Railroad Retirement Act establishing compulsory pension system for interstate carriers, since "a pension plan . . . is in no proper sense a regulation of the activity of interstate transportation." 295 U.S. at 374.

May 27: *Schechter Poultry Corp. v. United States*, 295 U.S. 495. Supreme Court holds title I of the National Industrial Recovery Act, guaranteeing organization and bargaining rights to employees, to be unconstitutional as an unlawful delegation of legislative power without adequate standards and as an attempt to regulate intrastate transactions affecting interstate commerce only incidentally.

With the resulting termination of NRA, the Consumers' Division is transferred to the Department of Labor (E.O. 7252).

1936

First official representation of the United States at annual conference of International Labor Organization.

Supreme Court upholds constitutionality of New York State unemployment insurance law.

Congress passes Public Contracts (Walsh-Healey) Act, requiring payment of prevailing wages and time and a half for overtime on Federal supply contracts in excess of \$10,000 (49 Stat. 2036). Public Contracts Division established in Department of Labor. Congress also passes (Byrnes) Anti-strikebreaker Act, making it unlawful to transport strikebreakers in interstate commerce (49 Stat. 1899).

Secretary establishes position of Director of Personnel.

1937

U.S. Housing Corporation is transferred to Department of Treasury.

Congress creates Civilian Conservation Corps (50 Stat. 319), authorizes a special census of unemployment (50 Stat. 883), and passes the Fitzgerald

National Apprenticeship Act authorizing the development of apprenticeship standards (50 Stat. 664). Apprentice Training Service established in the Division of Labor Standards.

Secretary of Labor and Social Security Board agree that local offices of the USES and the Bureau of Unemployment Insurance shall act in local operations as though a single agency in order to achieve integrated Federal action.

First meeting of the Federal Interdepartmental Safety Council, established by the President under the chairmanship of the Secretary of Labor.

March 29: *West Coast Hotel Co. v. Parrish*, 300 U.S. 379. Supreme Court upholds constitutionality of Washington State minimum wage law for women, expressly overruling *Adkins v. Children's Hospital*.

Virginian Railway Co. v. System Federation No. 40, 300 U.S. 515. Supreme Court upholds constitutionality of Railway Labor Act.

April 12: *NLRB v. Jones & Laughlin Steel Corp.*, 301 U.S. 1. Supreme Court holds National Labor Relations Act to be a valid regulation of interstate commerce "because the stoppage of operations by industrial strife would have a most serious effect upon interstate commerce." 301 U.S. at 41.

May 24: *Steward Machine Co. v. Davis*; *Helvering v. Davis*, 301 U.S. 548 and 619. Supreme Court upholds constitutionality of unemployment-insurance and old-age benefit provisions of Social Security Act.

1938

Congress passes Fair Labor Standards Act, providing, with respect to interstate commerce activities, minimum wage rates, overtime provisions, and limitations on child labor, and establishes in the Department of Labor under an Administrator a Wage and Hour Division (52 Stat. 1060). Child labor provisions placed in Children's Bureau.

1939

FLSA Administrator creates Advisory Committee on Sheltered Workshops to help develop standards for employment of handicapped clients at special minimum rates under the act; Secretary issues first hazardous occupations order pertaining to the employment of minors.

Unsuccessful impeachment proceedings in House of Representatives against Secretary of Labor regarding her administration of deportation laws.

U.S. Employment Service publishes first edition of "Dictionary of Occupational Titles."

Congress authorizes appropriations for administration of State unemployment insurance laws (53 Stat. 581), and in the Internal Revenue Code prescribes an employment tax for unemployment insurance (53 Stat. 1).

The U.S. Employment Service is transferred to the Social Security Board (53 Stat. 1423).

World War II begins in Europe. President proclaims limited state of emergency.

1940

Congress transfers the Immigration and Naturalization Service to Department of Justice (54 Stat. 1238), and transfers to the Department of Labor the authority to regulate wage payments in contracts for public construction (54 Stat. 1236). It passes the Selective Training and Service Act of 1940, establishing the Selective Service System and providing reemployment rights for ex-servicemen (54 Stat. 885).

Secretary of Labor establishes Office of the Solicitor as a separate unit, and authorizes the Solicitor to direct the work of all personnel engaged in legal work in the Department.

April 29: *Perkins v. Lukens Steel Co.*, 310 U.S. 113. Supreme Court upholds the power of the Secretary of Labor to make determinations of prevailing wages in a locality, under the Public Contracts (Walsh-Healey) Act.

May 27: *Apex Hosiery Co. v. Leader*, 310 U.S. 469. Supreme Court holds a sitdown strike not to be in violation of Sherman Anti-Trust Act in the absence of an intent to impose market controls.

1941

In *Opp Cotton Mills v. Administrator*, the Supreme Court upholds the delegation of congressional wage-setting powers to the FLSA Administrator and FLSA industry committees.

President creates Committee on Fair Employment Practices (E.O. 8802).

War declared with Japan and Germany.

February 3: *United States v. Hutcheson*, 312 U.S. 219. Supreme Court holds that, in the light of Norris-LaGuardia Act and Clayton Act, union action in a jurisdictional dispute did not violate Sherman Anti-Trust Act.

United States v. Darby, 312 U.S. 100. Supreme Court holds Fair Labor Standards Act constitutional as within the commerce power, expressly overruling *Hammer v. Dagenhart*, 1918.

1942

President establishes National War Labor Board (E.O. 9017) and War Manpower Commission (E.O. 9139).

Federal-State employment system federalized. President transfers USES and Apprentice Training Service from Federal Security Administration to War Manpower Commission (E.O. 9247).

Secretary combines operations of Public Contracts Division and Wages and Hours Division into a single administration with headquarters in New York City (A.O. 103), and sets up in the Department a Wage Adjustment Board in the construction industry (A.O. 101).

Congress provides benefits relating to war-risk hazards of employees on Government contracts outside the United States (56 Stat. 725), and passes a Wage Stabilization Act (56 Stat. 765) and an Emergency Price Control Act (56 Stat. 23).

The first labor attachés are assigned abroad by State Department.

1943

Executive hold-the-line order restricts prices and wages (E.O. 9328). President establishes Office of War Mobilization and Reconversion (E.O. 9347).

Congress passes War Labor Disputes Act (57 Stat. 163).

1944

Congress establishes Re-employment and Re-training Administration (58 Stat. 785), and directs USES to provide job counseling and placement services for veterans (58 Stat. 284).

1945

End of war with Germany and Japan.

President Harry S. Truman appoints Lewis B. Schwellenbach as fifth Secretary of Labor.

War agencies liquidated. U.S. Employment Service, Apprentice Training Service, Re-training and Re-employment Administration, Shipbuilding Stabilization Committee, and National Roster of Scientific and Professional Personnel are transferred to Department of Labor (E.O. 9617).

National War Labor Board terminated and replaced by National Wage Stabilization Board in Department of Labor (E.O. 9672).

BLS publishes first occupational outlook report.

1946

President ends nearly all price and wage controls (E.O. 9801).

Children's Bureau is transferred to Federal Security Agency (60 Stat. 1095), and U.S. Employment Service local offices are returned to the States, which are given grants-in-aid to maintain the function (60 Stat. 679).

Employment Act of 1946 creates Council of Economic Advisers, establishes Joint Committee on the Economic Report, and commits the Government to take all practical measures to promote maximum employment, production, and purchasing power (60 Stat. 23).

Congress abolishes positions of First and Second Assistant Secretaries of Labor and establishes position of Under Secretary of Labor and three positions of Assistant Secretary of Labor (60 Stat. 91).

Copeland Anti-Kickback Act is passed (60 Stat. 37).

Secretary of Labor establishes Trade Union Advisory Committee on International Affairs (TUAC), and assigns coordination of all international labor affairs of the Department to an Assistant Secretary. (G.O. 22).

In *Anderson v. Mt. Clemens Pottery Co.*, the U.S. Supreme Court defines "hours worked" in Fair Labor Standards Act.

1947

Congress abolishes U.S. Conciliation Service and transfers functions to independent Federal Mediation and Conciliation Service (61 Stat. 136). Farm placement service transferred from Department of Agriculture back to Department of Labor, U.S. Employment Service (61 Stat. 55). Re-training and Re-employment Administration terminated for lack of appropriations. Veterans' reemployment rights functions transferred from Selective Service to Department of Labor (61 Stat. 621).

Congress passes Taft-Hartley (Labor Management Relations) Act of 1947, which includes provision for filing by unions of organization information with the Secretary of Labor (61 Stat. 136).

Secretary establishes Division of Veterans' Reemployment Rights (G.O. 28), transfers child labor provisions of Fair Labor Standards Act from Bureau of Labor Standards to Wage and Hour and Public Contracts Divisions (G.O. 31), establishes an Office of International Labor Affairs (G.O. 33), and assigns to the Bureau of Labor Standards the labor union registration functions prescribed under the Taft-Hartley Act (G.O. 32).

WHPC headquarters office returns from New York City to Washington, D.C.

March 6: *United States v. United Mine Workers*, 330 U.S. 258, Supreme Court holds that the prohibition in the Norris-LaGuardia Act against injunction in labor disputes is not applicable to the government as employer.

1948

Congress transfers U.S. Employment Service to Federal Security Agency (62 Stat. 446). Smith-Mundt Act provides for exchange of persons between United States and other countries (62 Stat. 6).

Names of all constituent units of the Department are changed to conform to standard procedure (G.O. 39).

Secretary Schwellenbach dies in office; Under Secretary David A. Morse becomes Acting Secretary of Labor by law. President Truman appoints Maurice J. Tobin as sixth Secretary of Labor.

BLS publishes first monthly reports on current wage developments; number of employee benefit plans covered under collective bargaining; chronology of changes in wages and fringe benefits in key collective bargaining situations; performance of handicapped workers in manufacturing.

1949

Congress amends FLSA, increasing minimum wage to 75 cents an hour, clarifying various terms, revising coverage, and strengthening child labor provisions (63 Stat. 446).

U.S. Employment Service and Unemployment Insurance Service are transferred from Federal Security Administration as Bureau of Employment Security in Department of Labor (63 Stat. 1065).

President establishes President's Committee on National Employ the Physically Handicapped Week, and holds first President's Conference on Occupational Safety.

BLS publishes first edition of "Occupational Outlook Handbook," and first labor market survey (selected office and manual occupations).

AFL, CIO, and United Mine Workers of America participate in founding International Federation of Free Trade Unions.

1950

Under various reorganization plans, Bureau of Employees' Compensation and Employees' Compensation Appeals Board are transferred from FSA to Department of Labor (64 Stat. 1271), Secretary of Labor is authorized to enforce labor standards under certain acts (64 Stat. 1267) and to assume the functions of all other offices in the Department, and the position of Administrative Assistant Secretary is established (64 Stat. 1263).

President's Committee on Migratory Labor is established (E.O. 10129).

BLS publishes first report, with tables, on working life for men.

Korean war begins.

1951

BLS publishes first case study on productivity and factory performance in manufacturing.

June 2: *Youngstown Sheet and Tube Co. v. Sawyer*, 343 U.S. 579. Supreme Court holds that the President exceeded his constitutional authority

in ordering the seizure of the plants of the steel industry following the industry's rejection of the Wage Stabilization Board's recommendation for an increase in wages.

1953

Martin P. Durkin is appointed by President Dwight D. Eisenhower as seventh Secretary of Labor.

Secretary establishes departmental field staff committees (G.O. 60), places Office of International Labor Affairs under direction of an Assistant Secretary of Labor (G.O. 64), and establishes an Office of Manpower Administration.

BLS publishes first report on labor force adjustments to technological changes within plants.

Secretary Durkin resigns. Under Secretary L. A. Mashburn becomes Acting Secretary by law. James P. Mitchell is appointed by President Eisenhower as eighth Secretary of Labor.

1955

Secretary establishes position of Deputy Under Secretary and three positions as Deputy Assistant Secretary, all to be filled by career employees; appoints Director of Women's Bureau as Assistant to the Secretary, and prescribes order of succession in absence of Secretary and Under Secretary.

Congress amends Fair Labor Standards Act, and raises minimum wage to \$1 an hour (69 Stat. 711).

1956

Supreme Court upholds Secretary's authority to prescribe a uniform industry minimum wage under Walsh-Healey Act.

May 20: *Railway Employees v. Hanson*, 351 U.S. 225. Supreme Court holds that under the Railway Labor Act, as amended in 1951, union-shop agreements in railroad industry are valid even where State law forbids such agreements.

1957

Secretary establishes Office of Legislative Liaison (G.O. 70 rev.) and Office of Research and Development (G.O. 94).

June 3: *Textile Workers Union v. Lincoln Mills of Alabama*, 353 U.S. 448. Supreme Court holds that the Federal courts have jurisdiction under section 301(a) of the Taft-Hartley Act to enforce an agreement to arbitrate grievance disputes and that the substantive law to be applied in such cases is "Federal law, which the courts must fashion from the policy of our national labor laws." 353 U.S. at 456.

1958

Congress passes Welfare and Pension Plans Disclosure Act, to be administered by Secretary of Labor (72 Stat. 997). Functions assigned to Labor Standards Bureau (G.O. 97).

1959

Congress passes Labor-Management Reporting and Disclosure Act of 1959. Places administration of a major portion of the act in the Department of Labor (73 Stat. 519). Secretary establishes Bureau of Labor-Management Reports (G.O. 102).

BLS publishes first national survey of salaries in professional, administrative, technical, and clerical occupations.

Secretary establishes Bureau of International Labor Affairs (G.O. 64 rev.).

November 7: *United Steelworkers v. United States*, 361 U.S. 39. Supreme Court affirms "cooling off" injunction in industrywide steel strike under section 208 of the Taft-Hartley Act, upholding constitutionality of that section.

1960

Secretary issues safety and health regulations for work on contracts subject to Walsh-Healey Act.

1961

President John F. Kennedy appoints Arthur J. Goldberg as ninth Secretary of Labor.

Secretary establishes Office of Automation and Manpower.

Congress authorizes appointment of a fourth Assistant Secretary of Labor. Secretary appoints Director of Women's Bureau to this position.

President Kennedy appoints a committee of specialists to evaluate the Government's employment and unemployment statistics. He also appoints a committee on youth employment.

President Kennedy signs the Area Redevelopment Act (P.L. 87-27), authorizing appropriations for plant development and worker retraining in areas of persistent unemployment.

Fair Labor Standards Act is amended (P.L. 87-30), extending coverage to some 2.5 million workers—chiefly in retail trade. It also raises minimum wage of workers already covered to \$1.15 (with further raise to \$1.25 in September 1963).

1962

President's Committee on Labor-Management Policy submits its first report, on effects of automation.

President Kennedy signs the Manpower Development and Training Act of 1962, providing for a program of occupational training for unemployed persons. He also signs the Welfare and Pension Plans Disclosure Act Amendments of 1962 (P.L. 87-420), considerably strengthening the authority of the Secretary of Labor in administering the act.

Secretary of Labor announces that farmers unwilling to pay the stipulated minimum wage (\$1 an hour) for Government-recruited Mexican farm labor would not be supplied with such workers.

President signs the Work Hours Standards Act of 1962 (P.L. 87-581) replacing numerous earlier laws relating to the workweek and overtime pay of blue-collar employees of the Federal Government.

W. Willard Wirtz sworn in as 10th Secretary of Labor, replacing Secretary Goldberg, who was appointed to the Supreme Court.

APPENDIX V

Personnel of U.S. Department of Labor covered by appropriations for each fiscal year, by bureau, 1913-62

Fiscal Year	Total all operations regular Total (estimated)	Secretary Solicitor	Commission Bureau of Labor Statistics	Bureau of Immigration and Naturalization	Children's Bureau	Bureau of Employment Security ¹	Women's Bureau	Bureau of Labor Standards ²	Wage and Hour and Public Contracts Divisions	Bureau of Apprentice- ship and Training	Bureau of Employee Compensation	Bureau of Veterans' Reemployment Bills	Others
1913	2,000	47	47	94	1,844	15	15	From Secy	13	106	1,820	114	4 1,717
1914	2,000	47	47	94	1,844	15	15	From Secy	13	104	1,740	103	5 3,300
1915	2,193	70	72	109	1,940	76	76	1,940	1,940	160	1,987	270	6 676
1916	2,126	72	78	118	251	103	103	2,047	2,047	121	2,042	175	6 583
1917	2,037	78	109	119	23	104	104	1,740	1,740	131	2,254	175	6 587
1918	4,612	2,895	118	119	49	147	147	2,042	2,042	147	2,254	137	6 481
1919	6,391	3,091	119	119	54	121	121	1,987	1,987	121	1,942	170	6 389
1920	3,563	2,887	119	119	74	146	146	1,740	1,740	130	2,135	241	6 358
1921	3,810	3,227	119	119	82	130	130	1,987	1,987	146	2,387	280	6 213
1922	3,522	2,935	119	119	62	146	146	2,042	2,042	138	2,703	253	6 213
1923	3,715	3,234	81	81	68	138	138	2,254	2,254	138	3,000	234	6 17
1924	3,846	3,457	98	98	73	123	123	1,942	1,942	123	3,066	225	6 284
1925	4,072	3,714	98	98	68	132	132	1,987	1,987	132	3,239	239	6 213
1926	4,289	3,987	96	96	72	162	162	2,042	2,042	162	3,533	272	6 213
1927	4,278	3,994	93	93	74	167	167	1,987	1,987	167	3,755	375	6 213
1928	4,380	4,167	93	93	74	167	167	2,254	2,254	167	3,755	42	6 213
1929	4,763	4,550	94	94	74	167	167	1,942	1,942	167	3,755	42	6 213
1930	4,925	4,908	94	94	74	167	167	1,987	1,987	167	3,755	42	6 213
1931	5,397	5,391	94	94	74	167	167	2,042	2,042	167	3,755	42	6 213
1932	6,001	5,995	92	92	74	167	167	1,987	1,987	167	3,755	42	6 213
1933	5,330	5,327	81	81	74	167	167	2,042	2,042	167	3,755	42	6 213
1934	4,782	4,779	87	87	74	167	167	1,987	1,987	167	3,755	42	6 213

Appropriations to U.S. Department of Labor, by

Fiscal year	Gross total	Regular excl. grants and war	Miscellaneous	Secretary	Solicitor	Conciliation	Bureau of Labor Statistics	Bureau of Immigration and Naturalization	Children's Bureau	Bureau of Employment Security ¹
1913	2,331	2,331	42				184	2,085	12	
1914	3,918	3,918	114	129			175	3,474	26	
1915	3,941	3,941	173	87			203	3,261	165	
1916	3,611	3,611	181	83			206	2,893	165	
1917	5,575	5,575	233	96			211	4,742	215	
1918	66,493	54,433	403	107		282	293	3,650	374	2 1,325
1919	14,240	7,990	781	253		1,086	793	4,011	643	2 6,032
1920	6,944	6,944	785	243		209	322	4,665	280	400
1921	6,661	6,661	829	140		155	248	4,592	271	350
1922	6,677	6,186	776	140		152	242	4,299	271	229
1923	7,484	6,243	841	140		175	242	4,209	311	225
1924	7,913	6,722	855	147		200	242	4,602	361	210
1925	8,675	7,705	289	185		203	288	6,033	376	224
1926	9,185	8,235	293	186		199	285	6,598	364	205
1927	9,537	8,587	276	187		234	294	6,947	344	205
1928	10,190	9,148	335	186		210	300	7,467	350	200
1929	11,501	10,444	328	208		210	419	8,586	368	217
1930	11,322	11,322	361	210		205	396	9,482	320	240
1931	12,897	12,897	390	212		205	408	10,704	368	450
1932	15,015	15,000	451	216		205	580	12,033	396	939
1933	13,571	13,557	320	200		205	450	10,881	376	965
1934	16,627	16,619	313	207		210	550	11,758	344	3,089
1935	22,253	20,900	374	217		291	1,172	8,943	356	9,395
1936	32,229	28,829	452	285		752	1,425	9,761	553	15,322
1937	39,650	33,471	783	338		408	2,585	10,060	699	18,235
1938	31,581	18,575	1,079	344		273	1,114	9,781	670	4,692
1939	30,131	17,182	1,114	366		283	1,818	9,984	763	1,030
1940	30,936	21,255	2,002	458		325	3,115	10,305	1,010	
1941	24,698	13,497	2,170	362	79	383	2,760		1,016	
1942	24,145	12,945	2,164	389	850	832	1,369		1,018	
1943	24,913	13,713	1,745	419	855	1,847	2,208		997	
1944	25,331	14,131	1,522	454	835	2,173	2,677		1,076	
1945	72,036	15,836	1,609	554	835	2,214	3,984		1,096	477
1946	70,829	24,665	1,665	559	825	2,496	4,273		650	8,278
1947	112,895	30,388	1,165	1,507	1,227	2,582	6,826			7,516
1948	15,424	15,424	147	1,276	1,028	413	4,218			
1949	200,262	21,767	(8)	1,502	1,119		4,579			5,761
1950	224,055	26,269		1,328	1,391		6,485			5,404
1951	233,865	31,193		1,630	1,721		7,614			5,708
1952	256,105	33,791		1,777	1,713		6,784			7,926
1953	296,732	32,288		1,744	1,771		5,777			8,259
1954	354,002	28,028		1,379	1,468		5,480			6,860
1955	448,719	27,815		1,351	1,480		5,441			6,674
1956	471,440	32,636		1,678	1,812		6,407			7,307
1957	437,303	36,164		1,775	2,321		6,875			7,683
1958	1,185,597	38,236		1,480	2,321		7,200			8,208
1959	1,219,063	42,835		1,597	2,632		7,990			11,312
1960	550,354	48,335		1,161	2,695		10,750	2,000		9,472
1961	1,177,112	58,187		1,583	3,326		12,440	5,011	378	11,664
1962	1,040,853	75,353	10 4,000	1,796	4,116		14,767	5,775	500	13,668

¹ Including Mexican farm labor program. U.S. Employment Service until 1939; includes unemployment insurance after 1945.

2 War emergency employment.

3 Housing.

⁴ Chiefly labor relations boards.

⁵ National Industrial Recovery Administration.

⁶ Increase of grants for wives of servicemen.

DIX VI

bureaus, fiscal years 1913-62 (thousands of dollars) *

			Women's Bureau									
			Bureau of Labor Standards									
40			Wage and Hour and Public Contracts Divisions									
40			Bureau of Apprenticeship and Training									
75			Bureau of Employees' Compensation									
77			Bureau of Veterans' Reemployment Rights									
100			Miscellaneous									
105			Grants to the States from Children's Bureau									
107			Bureau Employment Security									
105			Compensation benefits, Bureau of Employees' Compensation									
100			Unemployment compensation for veterans									
100			Unemployment compensation for Federal employees									
103			Temporary unemployment compensation									
103												
158												
180												
160												
147												
152												
154	125	50										
153	140											
136	171	315										
143	221	1,460										
187	231	3,622										
155	527	6,045										
155	806	5,362										
175	315	5,152										
240	555	4,599										
245	340	4,512										
206	318	4,440	505									
305	291	6,674	2,274		21	7 3,262						
314	315	4,898	2,359		455							
289	453	5,215	2,590		259							
340	657	6,018	2,713	1,659	274							
389	797	8,082	3,183	1,787	281							
379	889	8,425	3,579	2,036	283							
350	823	7,724	3,324	2,227	290							
350	700	6,235	3,230	2,025	302							
355	746	6,235	3,160	2,068	306							
371	866	8,143	3,351	2,318	383							
403	912	9,988	3,399	2,426	383							
462	985	10,600	3,600	2,838	542							
504	1,729	11,371	4,009	3,106	586							
509	2,488	11,489	4,047	3,132	592							
554	2,522	12,261	4,329	3,487	632							
668	3,258	17,307	4,976	3,889	633	10 10,000						

⁷ Wage Stabilization Board and Re-training and Re-employment Administration.

⁸ Absorbed by bureaus.

⁹ Includes Consumer Price Index revision.

¹⁰ Area redevelopment activities.

*Due to rounding, some rows do not exactly equal totals.

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